



STATE OF CONNECTICUT
DEPARTMENT OF REVENUE SERVICES

SN 2006(7)

25 Sigourney Street
Hartford CT 06106-5032

SPECIAL NOTICE

2006 Legislative Changes Affecting Sales and Use Taxes and Admissions Tax

Purpose: This Special Notice summarizes legislation passed during the 2006 regular session affecting the sales and use taxes and the admissions tax.

Effective Dates: As noted below.

Statutory Authority: 2006 Conn. Pub. Acts 161, §5; 2006 Conn. Pub. Acts 186, §§74 and 75; and 2006 Conn. Pub. Acts 187, §§18, 80-83.

Effective May 26, 2006

Business Services Rendered in Connection With Joint Ventures: The exemption in Conn. Gen. Stat. §12-412(58) for certain personnel and business services rendered in connection with joint ventures is expanded to include limited liability companies. The maximum amount of time for which a joint venture may claim the exemption is extended from 10 to 20 consecutive years from the date of the joint venture's incorporation, formation, or organization.

Effective June 1, 2006

Residential Weatherization Products: A "sales tax holiday" has been enacted for residential weatherization products until June 30, 2007. For more details, see **Special Notice 2006(1.1)**, *Sales Tax Holiday for Home Weatherization Products*.

Effective July 1, 2006

Aircraft Repair or Replacement Parts and Aircraft Repair Service: Aircraft are no longer required to be owned or leased by a certificated air carrier or have a maximum certificated takeoff weight of six thousand pounds or more to qualify for the exemptions for aircraft repair and replacement parts and aircraft repair services under Conn. Gen. Stat. §12-412(76) and (77).

Health and Athletic Club Services: Yoga instruction provided at a yoga studio is now excluded from sales and use tax.

The Connecticut Center for Science and Exploration: Sales and use of any services or tangible personal property to be incorporated into, or used, or otherwise consumed in the construction of the Connecticut Center for Science and Exploration are now exempt from sales and use tax.

Effective October 1, 2006

Hybrid Passenger Cars: The exemption in Conn. Gen. Stat. §12-412(115) has been amended to redefine the term *hybrid passenger car* as a passenger car that draws acceleration energy from two onboard sources of stored energy, which are both an internal combustion or heat engine using combustible fuel and a rechargeable energy storage system and, for a passenger car or light truck with a model year of 2004 or later, is certified to meet or exceed the tier II bin 5 low emission vehicle classification.

Admissions Tax: Events at Nature's Art are no longer subject to the admissions tax beginning May 7, 2006. Events held on or after November 1, 2006, at Dodd Stadium or the Arena at Harbor Yard are no longer subject to the admissions tax.

Effect on Other Documents: None affected.

Effect of This Document: A Special Notice announces a new policy or practice in response to changes in state or federal laws or regulations or to judicial decisions. A Special Notice indicates an informal interpretation of Connecticut tax law by the Department of Revenue Services (DRS).

For Further Information: Call DRS during business hours, Monday through Friday:

- **1-800-382-9463** (Connecticut calls outside the Greater Hartford calling area only); **or**
- **860-297-5962** (from anywhere)

TTY, TDD, and Text Telephone users only may transmit inquiries anytime by calling 860-297-4911.

Forms and Publications: Forms and publications are available anytime by:

- **Internet:** Visit the DRS Web site at www.ct.gov/DRS to download and print Connecticut tax forms; **or**
 - **Telephone:** Call **1-800-382-9463** (Connecticut calls outside the Greater Hartford calling area only) and select **Option 2** from a touch-tone phone, or call **860-297-4753** (from anywhere).
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Paperless Filing/Payment Methods (fast, easy, free, and confidential):

- **For business returns:** Use *Fast-File* to file sales and use taxes, business use tax, room occupancy tax, estimated corporation business tax, business entity tax, attorney occupational tax, nursing home provider fee, admissions and dues tax, or withholding tax returns over the Internet. Visit the DRS Web site at www.ct.gov/DRS and click on *File/Register OnLine*.

- **For payment of business taxes other than those listed above:** Use *Fast-File* to pay your business taxes over the Internet or by phone. Visit the DRS Web site at www.ct.gov/DRS and click on *Electronic Services* for a list of eligible taxes. The ACH debit method is used to make the transfer. No preregistration is required.
 - **For resident income tax returns:** Use *WebFile* to file personal income tax returns over the Internet. Visit the DRS Web site at www.ct.gov/DRS and click on *File/Register OnLine*.
 - **For electronic filing of income tax extensions, estimated payments, and for electronic bill payments:** Use *WebFile* to electronically file personal income tax returns over the Internet. You can also use *WebFile* to make an electronic income tax payment for a prior year. Visit the DRS Web site at www.ct.gov/DRS and click on *File/Register OnLine*.
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