

Sec. 10-416b-11. Issuance of tax credit vouchers

(a) As used in this section, the term “contributing” means providing funds, including cash, grants, and extensions of credit, with, in cases of extension of credit, the tax credit being applied toward the reduction of the amount owing on the extension of credit.

(b) Application Requests

(1) In order to obtain a tax credit voucher, the owner shall (A) provide a certificate of title or title insurance; (B) if the owner is a business entity, provide a certificate of legal existence; (C) provide evidence of certification of completed rehabilitation; (D) attach a copy of the reservation certificate; and (E) submit a certification of costs in accordance with subsection (c) of this section.

(2) In cases where the owner has qualified for a tax credit reservation equal to thirty percent of the estimated qualified rehabilitation expenditures in accordance with section 10-416b of the Connecticut General Statutes, the owner shall provide the officer (A) written confirmation from the department that the project is compliant with the affordable housing certificate (i) as submitted to the commission under section 10-416b-8 (a) (3) of the Regulations of Connecticut State Agencies or (ii) as amended and (B) a copy of a recorded Declaration of Land Use Restrictive Covenants, as may be required pursuant to section 8-37III of the Connecticut General Statutes, and which covenant has been approved as to form and content by the department prior to recordation. If the owner does not provide said confirmation and a copy of the recorded Declaration of Land Use Restrictive Covenants, or if the owner files a plan change indicating that the number of affordable housing units is less than the percentage required under section 10-416b of the Connecticut General Statutes, the owner shall no longer qualify for the thirty percent tax credit. In such cases, the tax credit voucher shall be in an amount equivalent to the lesser of twenty-five percent of the original estimated qualified rehabilitation expenditures submitted in accordance with section 10-416b-8 (a) (1) of the Regulations of Connecticut State Agencies or twenty-five percent of the actual qualified rehabilitation expenditures, not to exceed five million dollars.

(3) The owner shall indicate the phase or phases for which the application is being made.

(4) The owner shall request that the department issue a tax credit voucher to (A) the owner; (B) a contributing taxpayer; (C) multiple owners; or (D) in cases where there is a written agreement among multiple owners, a single business entity which is the limited liability partnership or limited liability company in whose name the deed to the certified historic structure is recorded. The owner may request that the tax credits be allocated to one or more contributing taxpayers or one or more owners or both.

(5) For each contributing taxpayer, the owner shall provide a taxpayer identification number, Federal Employer Identification Number (FEIN) or Connecticut Tax Registration Number, as applicable. If two or more taxpayers are so named, the owner shall specify the percentage of the tax credits to be allocated to each recipient.

(6) In cases of multiple owners, the application shall (A) list the names and addresses of multiple owners and indicate for each a social security, taxpayer identification number, Federal Employer Identification Number (FEIN) or Connecticut Tax Registration Number, as applicable; and (B) indicate the percentage of the tax credits to be allocated to each owner.

(7) If, pursuant to a written agreement among multiple owners, the department is requested to issue a single tax credit voucher to an assignor, the assignor’s taxpayer

identification number, Federal Employer Identification Number (FEIN) or Connecticut Tax Registration Number, as applicable, shall be provided.

(8) Upon request by the department, the owner shall remit the required application fee payment as indicated in section 10-416b-12 (b) of the Regulations of Connecticut State Agencies.

(c) Certification of Costs

(1) The owner shall submit a certification of costs prepared by an independent certified public accountant.

(2) The accountant's certification shall include (A) the total of qualified rehabilitation expenditures incurred prior to the date of submission of a request for certification of completed rehabilitation under section 10-416b-10 of the Regulations of Connecticut State Agencies; (B) separate itemization of qualified rehabilitation expenditures and costs that are not qualified rehabilitation expenditures for the certified historic structure in its entirety or, in cases of phased projects, qualified rehabilitation expenditures and costs that are not qualified rehabilitation expenditures for the identifiable portion of the building placed in service; (C) verification of qualified rehabilitation expenditures by the examination of invoices, cancelled checks, settlement sheets and related documents; and (D) verification that the substantial rehabilitation test as required pursuant to section 10-416b of the Connecticut General Statutes has been met based on the evidence of the assessed value of the certified historic structure submitted at the time of application for preliminary certification and reservation of tax credits.

(3) In cases of phased projects, the certification of costs shall include verification that the substantial rehabilitation test has been met in accordance with section 10-416b of the Connecticut General Statutes.

(d) Department Actions

(1) The department shall issue one or more tax credit vouchers in accordance with section 10-416b of the Connecticut General Statutes not more than thirty calendar days after receipt of a complete application.

(2) If an application is incomplete, not more than thirty calendar days after receipt the department shall notify the owner in writing and indicate what information is needed to undertake or complete review. The owner shall have thirty calendar days after the date of notification by the department to respond in writing and provide the requested information. Upon written request by the owner on or before the original deadline, the department shall grant an extension to the owner.

(3) The department shall notify the state of Connecticut Department of Revenue Services of the issuance of a tax credit voucher not more than fifteen calendar days after issuance.

(e) Notification Requirement for Transfer of Tax Credits

(1) If an assignor wishes to transfer in whole or in part its interest in tax credits, the assignor shall endorse the original tax credit voucher and indicate the name and address of the assignee, the assignee's taxpayer identification number, Federal Employer Identification Number (FEIN) or Connecticut Tax Registration Number, as applicable, the amount of the tax credits transferred, and the date of transfer. The assignee shall attach the endorsed original tax credit voucher to the required state of Connecticut Department of Revenue Services tax form to claim the credit.

(2) An assignor shall notify the department of a transfer of tax credits to an assignee not more than thirty calendar days from the date of the transfer. Such notification shall include a certified copy of the endorsed tax credit voucher and shall indicate the amount of tax credits previously claimed by the assignor and the amount of tax credits that remain unclaimed. The department shall notify the state of Connecticut Department of Revenue Services of the transfer not more than fifteen calendar days after receipt.

(3) If the tax credits allocated to the assignor have not been claimed in their entirety, the assignor may request the department to issue a new tax credit voucher for the remaining unused allocated tax credits.

(4) Upon receipt of notification of transfer and written request by the assignor, the department shall issue a new tax credit voucher to the assignor in the amount of the remaining unused allocated tax credits in not more than thirty calendar days. The department shall notify the state of Connecticut Department of Revenue Services of issuance of a tax credit voucher in not more than fifteen calendar days after issuance.

(5) The assignor may transfer, in whole or in part, the remaining unused allocated tax credits by following the procedures under subdivisions (1) through (4), inclusive, of this subsection.

(Adopted effective October 6, 2008; Adopted effective September 17, 2012)