



STATE OF CONNECTICUT  
DEPARTMENT OF REVENUE SERVICES

25 Sigourney Street Ste 2  
Hartford CT 06106-5032

SN 2012(4)

SPECIAL NOTICE

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## 2012 Legislation Prohibiting the Use of Zappers

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**Purpose:** This Special Notice explains that the sale, purchase, installation, transfer, or possession of an automated sales suppression device (i.e., “zapper”) or “phantom-ware” is a crime in the State of Connecticut

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**Effective Date:** Effective on or after July 1, 2012.

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**Statutory Authority:** 2012 Conn. Pub. Acts 135.

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**Definitions:** A *zapper* is a software program that falsifies the electronic records of electronic cash registers and other point-of-sale systems, including but not limited to transaction data and transaction reports. It can be carried on a memory stick or removable compact disc, or accessed through an Internet link or other means.

*Phantom-ware* is a hidden programming option embedded in the operating system of, or hardwired into, an electronic cash register, whether preinstalled or installed later, which may be used to (1) create a virtual second till, or (2) eliminate or manipulate transaction records that may or may not be digitally preserved to represent the true or manipulated record of electronic cash register transactions.

*Transaction data* means information that includes items purchased by a customer, the price for each item, a taxability determination for each item, a segregated tax amount for each of the taxed items, the amount of cash or credit tendered, the net amount returned to the customer in change, the date and time of the purchase, the name, address and identification number of the retailer, and the receipt or invoice number of the transaction.

*Transaction report* means a report that includes, but need not be limited to, sales, taxes collected, media totals, and discount voids at an electronic cash register that is printed on cash register tape at the end

of a day or shift, or a report that documents every action at an electronic cash register that is stored electronically.

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**Penalties:** Violators of this law are subject to a fine of up to \$100,000, one to five years imprisonment, or both.

Violators also (1) are liable for all taxes, penalties, and interest due to the state as a result of the crime, and (2) must forfeit all profits associated with the sale or use of the zapper or phantom-ware. The legislation makes zappers and phantom-ware, and any device on which they are installed contraband and allows the Department of Revenue Services (DRS) to confiscate them.

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**Effect on Other Documents:** None.

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**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 DRS.

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**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:** Visit the DRS website at [www.ct.gov/DRS](http://www.ct.gov/DRS) to download and print Connecticut tax forms and publications.

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**Paperless Filing/Payment Methods (fast, easy, free, and confidential):**

Business and individual taxpayers can use the **Taxpayer Service Center (TSC)** at [www.ct.gov/TSC](http://www.ct.gov/TSC) to file a variety of tax returns, update account information, and make payments online.

**File Electronically:** You can choose first-time filer information and filing assistance or log directly into the **TSC** to file returns and pay taxes.

**Pay Electronically:** You can pay taxes for tax returns that cannot be filed through the **TSC**. Log in and select the *Make Payment Only* option. Designate a payment date up to the due date of the tax and mail a paper return to complete the filing process.

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**DRS E-Alerts Service:** Get connected to the latest news from DRS. Receive notification by email of changes to legislation, policies, and procedures. **DRS E-Alerts** provide information for employer's withholding tax, News – Press Releases, and Top 100 Delinquency List. Visit the DRS website at [www.ct.gov/DRS](http://www.ct.gov/DRS) and select *e-alerts* from the left navigation bar.

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