



General Assembly

February Session, 2006

Proposed Bill No. 5410

LCO No. 1207

Referred to Committee on Finance, Revenue and Bonding

Introduced by:
REP. O'BRIEN, 24th Dist.

**AN ACT CONCERNING CHANGES IN THE PROPERTY TAX CREDIT
TO ENABLE PROPERTY TAX REFORM.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 That the general statutes be amended to (1) take the property tax
2 credit against the personal income tax refundable, even if the credit is
3 greater than the taxpayer's income tax liability; (2) make the property
4 tax credit for each personal income tax payer equal to three-quarters of
5 the difference between their property taxes (on their home and up to
6 two motor vehicles) and their precredit state income taxes; (3)
7 eliminate the current three-hundred-fifty-dollar cap on the property
8 tax credit; (4) provide a new upper income tier on the personal income
9 tax on incomes over five hundred thousand dollars per year for
10 married couples, three hundred ninety-six thousand dollars per year
11 for heads of household and two hundred sixty-five thousand seven
12 hundred fifty dollars per year for individuals; and (5) set this new
13 upper-income tier at a percentage sufficient to keep the revenues of the
14 state personal income tax at projected revenues under current law.

Statement of Purpose:

To enact comprehensive property tax reform for families and individuals by increasing the property tax credit and making it refundable.