



General Assembly

January Session, 2007

Proposed Bill No. 366

LCO No. 1004

Referred to Committee on Finance, Revenue and Bonding

Introduced by:

SEN. DEBICELLA, 21st Dist.

AN ACT CONCERNING THE APPLICATION OF A PORTION OF THE BUDGET SURPLUS TO INCREASING THE AMOUNT OF INCOME EXEMPT FROM THE PERSONAL INCOME TAX.

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

- 1 That section 4-30a of the general statutes be amended to require
- 2 that, whenever the state has a budget surplus, half of that surplus shall
- 3 automatically be applied toward raising the amount of income
- 4 exempted from the income tax for the following year. The new
- 5 exemption amount shall become the base amount for the following
- 6 year, and such application of surplus funds shall continue until such
- 7 time as the first fifty thousand dollars of income is exempted from the
- 8 income tax for a married couple filing jointly.

Statement of Purpose:

To create an automatic middle-class tax cut whenever the state taxes more than it spends.