

SB 1007 AAC the Governor's Recommendation on Revenue

My name is Brian Anderson. I am a lobbyist for **Council 4 AFSCME**. Council 4 urges you to raise more state revenue by restoring taxes on Connecticut's richest citizens who have enjoyed gargantuan tax breaks during the last 30 years.

I cite Republican President Dwight D. Eisenhower's record. When President Kennedy proposed dropping the 91% top federal income tax rate for the nation's richest citizens, Eisenhower who was loathe to speak in retirement, publicly urged Kennedy not to do this. When President Johnson proposed dropping that 91% income tax rate on the richest, again Eisenhower publicly asked him not to do this.

President Eisenhower was hardly a liberal. But, he did have common sense and love of country. He had seen hard times. During the Depression he had forced the "bonus army" out of Washington DC at the point of a bayonet. He had seen the extremes of fascism and communism as a military leader. He knew that the unemployed and poor often became the armies of extremism.

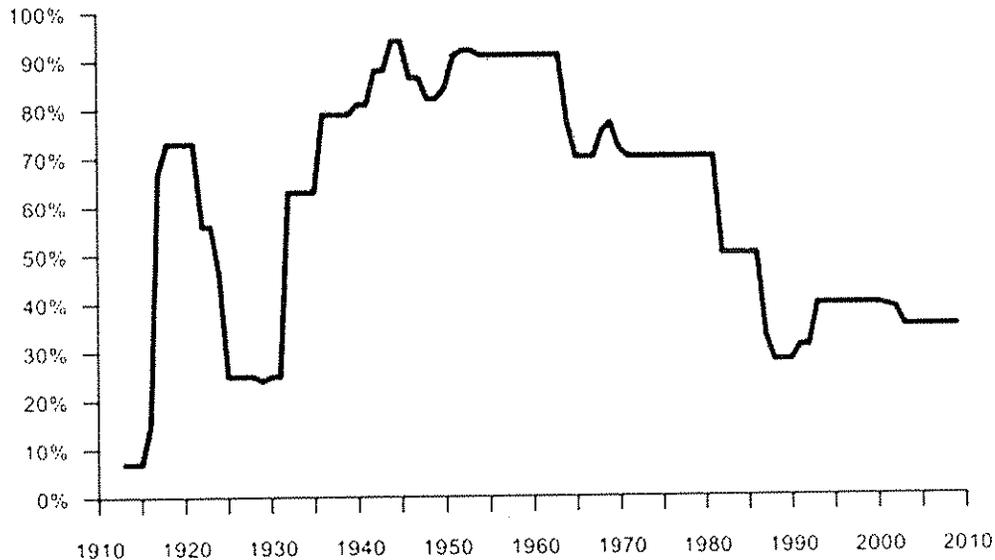
When President Reagan took office the top income tax rate on the richest was 79%. He dropped it to 29%. This was probably the largest tax shift in American history. The rich were able to shift the bulk of their tax responsibility onto the backs of middle and low income Americans. President Bill Clinton raised that rate back up to 35% and when he did unemployment fell nationwide. Then President George W. Bush cut the top rate again. By the end of Bush's presidency our nation suffered the highest unemployment rate of modern times.

Many historians and economists have cited the imbalance of wealth between the richest and everyone else as a major cause of the Great Depression. Now, the wealth disparity between the richest and everyone else is greater than during the Great Depression. As Warren Buffet, the second richest billionaire in the U.S. has said "There is a class war going on in America. My class against everyone else and sadly my class is winning."

You have the ability to start turning around this class war against working families. **You can increase Connecticut's income tax on the richest earners beyond what is in this bill to capture some of the \$3 billion that will come back to them just this year as a result of the latest extension of the Bush tax cut. Surely this is better for our state than cutting dental services for the poor, cutting health care funding for working poor families or scapegoating public employees.** Thanks. I'd be happy to answer any questions.

History of federal income tax

The federal income tax rates in the United States have varied widely since 1913. For example, in 1954 the Congress imposed a federal income tax on individuals, with the tax imposed in layers of 24 income brackets at tax rates ranging from 20% to 91% (for a chart, see [Internal Revenue Code of 1954](#)). Here is a partial history of changes in the U.S. federal income tax rates for individuals (and the income brackets) since 1913.^{[27][28]}



 Top U.S. Federal marginal income tax rate from 1913 to 2009.

Partial History of U.S. Federal Marginal Income Tax Rates Since 1913

Applicable Year	Income brackets	First bracket	Top bracket	Source
1913-1915	-	1%	7%	IRS
1916	-	2%	15%	IRS
1917	-	2%	67%	IRS
1918	-	6%	77%	IRS
1919-1920	-	4%	73%	IRS
1921	-	4%	73%	IRS
1922	-	4%	56%	IRS
1923	-	3%	56%	IRS
1924	-	1.5%	46%	IRS
1925-1928	-	1.5%	25%	IRS
1929	-	0.375%	24%	IRS

1930-1931	-	1.125%	25%	IRS
1932-1933	-	4%	63%	IRS
1934-1935	-	4%	63%	IRS
1936-1939	-	4%	79%	IRS
1940	-	4.4%	81.1%	IRS
1941	-	10%	81%	IRS
1942-1943	-	19%	88%	IRS
1944-1945	-	23%	94%	IRS
1946-1947	-	19%	86.45%	IRS
1948-1949	-	16.6%	82.13%	IRS
1950	-	17.4%	84.36%	IRS
1951	-	20.4%	91%	IRS
1952-1953	-	22.2%	92%	IRS
1954-1963	-	20%	91%	IRS
1964	-	16%	77%	IRS
1965-1967	-	14%	70%	IRS
1968	-	14%	75.25%	IRS
1969	-	14%	77%	IRS
1970	-	14%	71.75%	IRS
1971-1981	15 brackets	14%	70%	IRS
1982-1986	12 brackets	12%	50%	IRS
1987	5 brackets	11%	38.5%	IRS
1988-1990	3 brackets	15%	28%	IRS
1991-1992	3 brackets	15%	31%	IRS
1993-2000	5 brackets	15%	39.6%	IRS
2001	5 brackets	15%	39.1%	IRS
2002	6 brackets	10%	38.6%	IRS
2003-2009	6 brackets	10%	35%	Tax Foundation