

Public Hearing March 3, 2017

House Bill No. 5587

***AN ACT CONCERNING A TAX EXEMPTION FOR SENIORS'
SOCIAL SECURITY BENEFITS***

My name is John Chunis. I live at 40 Deerfield Run in Rocky Hill. I have been a resident and taxpayer in Connecticut since 1975.

I support this bill.

There have been numerous similar bills proposed over the past several years that never made it out of committee. In the past, when I asked why, I was told that with the ongoing state budget deficits, the state can't afford to provide this relief. We are in the same situation again, but the state still seems to justify giving millions of dollars in tax breaks to major corporations and hedge funds to attract or keep them in the state. The reason, it helps the Connecticut economy.

The same will be true if we provide similar tax relief to our retirees. Not only is it just, as we have already paid state income tax on that money when we earned it, doing so will also help the economy of the state.

Based on actuary tables, retired people will live at least 20 additional years. We can either spend the majority of that 20 years of retirement income in this state, if we stay here, or in another state, if we decide to leave because it is taxed here. That's a huge hit on the state economy when that chunk of money moves out of state.

I recently read in the Harford Courant that approximately 1 out of every 3 retirees leaves the state, either to a warmer climate or to one of the numerous states that do not tax retirement income. The reason for this is simple, the cost of living in Connecticut is one of the highest in the nation. You never hear of any retired people moving into the state. According to Kiplinger, Connecticut is also one of the remaining 13 states that continue tax social security benefits. That leaves 37 other states where a retiree can move to reduce his or her tax burden. I personally am actively looking to relocate out of the state for this reason. Eliminating the tax on Social Security will significantly reduce the incentive to move out of state for me, as well as for other retirees.

Retired people also provide additional benefits to the state, such as volunteering for local charities, libraries, school crossing guards, tax preparers for the poor, civic organizations, and numerous other organizations that help improve life in the state.

We need to start providing incentives to retain, and even attract, retired people to live in the state. Connecticut should join the other 37 states that do not tax Social Security and approve this bill.

So far this session, there have been 49 similar bills proposed to eliminate taxes on Social Security. That shows an overwhelming support within the electorate for this action. As such, this bill should be approved and forwarded to the general assembly for final voting.

I urge that this bill be approved.

Thank you for allowing me the opportunity to comment on this bill.

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