



State of Connecticut
House of Representatives

Representative Kim Rose
Assistant Majority Whip
118th Assembly District
Milford

Legislative Office Building
Hartford, Connecticut 06106
Capitol: (800) 842-8267
Cell: (203) 701-6098
Kim.Rose@cga.ct.gov

Good morning Senator Fonfara, Senator Frantz, Representative Rojas and distinguished members of the Finance, Revenue and Bonding Committee. I would like to begin my remarks by thanking the committee for hearing **House Bill 5587 AN ACT CONCERNING A TAX EXEMPTION FOR SENIORS' SOCIAL SECURITY BENEFITS.**

On August 14, 1935, as part of President Franklin Roosevelt's New Deal, the Social Security Act of 1935 was signed into effect. On January 31, 1940 the first Social Security check was issued, as a lump sum of \$22.54. Since then, Social Security has been an excellent resource for our State and Federal government to protect some of the most vulnerable members of our society and thank them for their hard work in building the Connecticut and United States we value today.

It is now time to protect these people once again. Social Security is not a sensible retirement plan anymore. It has grown to become more of a social insurance program for elderly, survivors and those with disabilities. To continue to provide the social insurance these people depend on, Connecticut must move to pass this bill that will exempt personal income tax on social security benefits.

Taxing social security benefits is essentially taxing something that has already been taxed. Connecticut residents that are receiving these benefits have already worked hard previously, and paid their fair share into the program. This is their money and should not be taxed. Asking them to pay after retirement, when they are not earning the same amount of money as before, is unfair and is a practice that should not continue.

According to the Social Security Administration, the number of retired workers in 2015 receiving social security benefits in Connecticut was 474,950. There were also 41,319 children receiving some form of social security benefits. In all, 659,238 Connecticut residents received social security benefits as of December 2015. These are all people we can provide much needed additional help to.

A tax exemption on social security income could also result in a potential boost for our economy. After 3 straight years of a shrinking population in Connecticut, to other states including Florida, we need to come up with new ways of retaining residents. Even though we will not be receiving this tax revenue, our restaurants, shops, and towns will see these extra dollars spent there. Retired workers have more disposable income than any other age group. With 15.8% of Connecticut's population being 65 and older, this measure will provide positive contributions to our economy.

Social Security benefits help provide economic security to Connecticut's retired workers that have paid into the fund through years of hard work. Let's not penalize or tax that any longer.

Thank you again for this opportunity to present testimony and I would be glad to answer any questions Committee members may have.