

OFFICE OF FISCAL ANALYSIS

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sHB-5433

AN ACT CONCERNING MINOR AND TECHNICAL CHANGES TO
THE TAX AND RELATED STATUTES.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$
Department of Revenue Services	GF - Revenue Loss	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill makes a number of technical and clarifying changes that do not result in any fiscal impact to the state or municipalities.

The bill also extends a pension and annuity deduction under the Personal Income Tax, the impact of which is detailed below.

The Out Years

Section 27 makes permanent the 100% income tax deduction for pension and annuity income for qualifying taxpayers currently scheduled to expire in 2025. This results in an annualized revenue loss of \$57.5 million in FY 26 and \$115 million in FY 27 and annually thereafter.