

Testimony of William Buhler in support of section #3 of Raised Bill 1136, 4/29/19.

Chairmen Fonfara, Representative Rojas and members of Finance, Revenue and Bonding: My name is William Buhler. I am a retired state educator and advocate for a better economy.

In light of Connecticut's declining revenue growth, shrinking tax base and faltering economy I emphatically support a surcharge on capital gains income and other tax increases for the top two tiers of wealthy residents.

Having said that, in order to generate sufficient revenue the surcharge should be 2% on capital gains and include dividend and interest income. I also support *Revenue Options to Support a Strong Foundation for Connecticut's Future* offered by Connecticut Voices for Children, 4/19.

Connecticut has the 2nd highest per capita income in the nation but little of the income gains circulate in the real economy. State and local government spending is spartan, consumer buying power is no greater than it was in 1968 and most income gains are being used for stock buybacks and other financial asset purchases. Spending drives the economy and because little is going on, the economy isn't growing. Even as the ranks of millionaires expand the tax base is shrinking.

The passage of a significant surtax on highest income residents will not threaten their affluent lifestyles. Such tax reform has been recommended by Warren Buffet, Ray Dalio, the Patriotic Millionaires and current presidential candidates. A Gallup poll indicates a majority of Americans support it. It's a change Connecticut should make to secure its financial future.

