

# Higher Education and Employment Advancement Committee

## JOINT FAVORABLE REPORT

**Bill No.:** HB-5029

AN ACT ESTABLISHING A TAX CREDIT FOR GRADUATES OF INSTITUTIONS OF HIGHER EDUCATION AND PRIVATE OCCUPATIONAL SCHOOLS IN THE STATE.

**Title:** STATE.

**Vote Date:** 3/10/2020

**Vote Action:** Joint Favorable Substitute

**PH Date:** 3/5/2020

**File No.:**

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### SPONSORS OF BILL:

Rep. Gary Turco, 27<sup>th</sup> Dist.

### REASONS FOR BILL:

The bill establishes a personal income tax credit for individuals who graduated from a public or private institution of higher education or private occupational school in the State of Connecticut. The intent is to help alleviate the burden of student loan debt for individuals making up to \$75,000 per year for a period of three years after their graduation date. The substitute language extends, from two years to three years, the number of successive taxable years the tax credit is available after graduation.

### RESPONSE FROM ADMINISTRATION/AGENCY:

[Timothy Larson, Executive Director, Office of Higher Education](#): Director Larson writes that the Office of Education understands the rationale behind the bill, but believe a better approach is CT Next Governor's Innovation Fellowship that focuses on exploring numerous strategies to retain skilled individuals in Connecticut. He notes that it remains unclear if such tax credits are effective at keeping students in Connecticut.

### NATURE AND SOURCES OF SUPPORT:

None expressed.

### NATURE AND SOURCES OF OPPOSITION:

None expressed.

**Reported by:** Justin Boutin, Assistant Clerk  
Jeanie Phillips, Clerk

**Date:** March 10, 2020