

Testimony to the CT General Assembly's Finance, Revenue and Bonding Committee

In support of House Bill 6187 and Senate Bill 821

03/15/2021

Dear Co-Chair Fonfara and Co-Chair Scanlon, Vice Chairs Moore, Kavros Degraw, and Meskers, Ranking Members Martin and Cheeseman, and Distinguished Members of the Connecticut General Assembly Finance, Revenue and Bonding Committee:

My name is Eli Roche. I am a Fairfield resident, Wesleyan University student, and Co-Chair of Wesleyan Democrats. I am writing to urge members of the committee and the General Assembly to support [HB-6187](#) and [SB-821](#), as well as proposals to make CT's tax system more equitable generally. These legislative proposals would help Connecticut secure the revenue needed to adequately fund its government moving forward, doing so through measures that would likely generate [billions of dollars](#) (1).

Increasing taxes on wealthy Americans is an incredibly popular policy proposal (2). Specific to Connecticut, proposals to increase taxes on those who make substantially more than the average taxpayer enjoy support from around 70% of Connecticut residents (3); along partisan lines, [one 2009 Quinnipiac poll](#) shows that raising the state income tax on high earners receives support from 90% of Democrats, 40% of Republicans, and 71% of independent voters (4). Contemporarily, it would seem that these tax proposals now enjoy support from a majority of GOP voters (5).

Some have objected to raising taxes on the wealthy on the basis that it will encourage millionaire tax flight; [research analysis](#) points to the contrary (*wealthy individuals are less responsive to changes in taxation, not more*) (6). A Stanford University professor has [written a book](#) debunking the supposed phenomenon (7). Additionally, while some point to anecdotal evidence to argue that raising taxes on the wealthy will cause them to leave CT, it is just as easy to do the same from the opposing side (8).

Furthermore, I do not believe that [balancing CT's budget](#) with stimulus money from the American Rescue Plan instead of with equitable taxation policies is a responsible choice (9). This choice would delay the conversation CT needs to have about how to address its systematic wealth inequality (10), squander the opportunity to invest in CT's future via strategically chosen projects and initiatives, and only briefly absolve CT of its need to find a way to fund its budgets sustainably and equitably. CT should instead raise taxes on the wealthy to balance its budget.

For these reasons, I ask and encourage all members of this committee and the Connecticut General Assembly to support HB-6187 and SB-821. Thank you.

- (1) <https://ctvoices.org/wp-content/uploads/2020/12/Advancing-Economic-Justice-Through-Tax-Reform-Just-Research.pdf>
- (2) <https://www.politico.com/story/2019/02/04/democrats-taxes-economy-policy-2020-1144874>, <https://news.gallup.com/opinion/polling-matters/247052/americans-long-standing-interest-taxing-rich.aspx>
- (3) <https://www.sacredheart.edu/media/shu-media/institute-for-public-policy/October-2017.pdf>, <https://www.sacredheart.edu/media/shu-media/institute-for-public-policy/November-2018.pdf>, <https://www.sacredheart.edu/media/shu-media/institute-for-public-policy/5:31:19---Lamont-Job-Approval-Rating-and-Taxes.pdf>
- (4) <https://poll.qu.edu/connecticut/release-detail?ReleaseID=1352>
- (5) <https://www.washingtonpost.com/us-policy/2019/01/31/republicans-support-higher-taxes-super-rich-according-fox-news-survey/>, <https://www.reuters.com/article/us-usa-election-inequality-poll/majority-of-americans-favor-wealth-tax-on-very-rich-reuters-ipsos-poll-idUSKBN1Z9141>
- (6) <https://web.stanford.edu/~cy10/public/Jun16ASRFeature.pdf> (“Millionaire Migration and Taxation of the Elite: Evidence from Administrative Data”, Young, Varner, Lurie, Prisinzano.)
- (7) <https://www.sup.org/books/title/?id=27987> (“The Myth of Millionaire Tax Flight”, Cristobal Young)
- (8) <https://www.bloomberg.com/news/articles/2020-09-30/tepper-returns-to-high-tax-new-jersey-to-face-120-million-tab>, <https://www.nytimes.com/2020/10/02/your-money/wealthy-millionaires-tax-states.html>
- (9) <https://ctmirror.org/2021/02/10/lamont-leans-heavily-on-federal-aid-to-keep-taxes-flat-in-ct/>
- (10) <https://ctmirror.org/2020/11/09/cts-extreme-inequality-poses-major-obstacle-to-sustainable-inclusive-growth/>, <https://www.wnpr.org/post/income-inequality-connecticut-getting-worse>, <https://www.courant.com/news/connecticut/hc-news-income-inequality-census-connecticut-20190926-rq6thx3wifahbkoy4zxbkb6fci-story.html>, <https://www.epi.org/multimedia/unequal-states-of-america/#/Connecticut>, <https://itep.org/whopays/connecticut/>