



General Assembly

January Session, 2021

**Proposed Bill No. 821**

LCO No. 2699



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:

SEN. DAUGHERTY ABRAMS, 13th Dist.	SEN. LESSER, 9th Dist.
SEN. ANWAR, 3rd Dist.	SEN. LOPES, 6th Dist.
SEN. CABRERA, 17th Dist.	SEN. MOORE, 22nd Dist.
SEN. FLEXER, 29th Dist.	SEN. WINFIELD, 10th Dist.
SEN. KUSHNER, 24th Dist.	

**AN ACT CONCERNING THE REFORMATION OF CERTAIN TAXES AND TAX EQUITY.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 That (1) the general statutes be amended to (A) establish a child tax  
2 credit at a percentage of the allowable federal child tax credit, (B)  
3 increase the property tax credit to four hundred dollars, (C) increase the  
4 applicable percentage of the earned income tax credit to fifty per cent  
5 and rename and expand eligibility for said tax credit to any taxpayer  
6 who would otherwise be eligible for the federal earned income tax credit  
7 except that such taxpayer filed with an individual taxpayer  
8 identification number, (D) establish a ten per cent tax on the annual  
9 gross revenues derived from digital advertising services in the state for  
10 any business with annual world-wide gross revenues exceeding ten  
11 billion dollars, (E) establish a two per cent tax on the portion of assessed  
12 value of any owner-occupied residential real property exceeding one

13 million five hundred thousand dollars, (F) eliminate the fifteen-million-  
14 dollar estate tax cap and reduce the estate tax exemption thresholds, (G)  
15 increase the rate of tax imposed under section 12-214 of the general  
16 statutes on companies with gross annual revenues of one hundred  
17 million dollars or more to eleven and one-half per cent and the  
18 surcharge under said section to twenty per cent, (H) establish a  
19 surcharge of five per cent of the net gain from the sale or exchange of  
20 capital assets and on dividend and interest income, and (I) adjust the  
21 marginal income tax rates for unmarried individuals with taxable  
22 income over five hundred thousand dollars and for married individuals  
23 filing jointly with taxable income over one million dollars, and (2) the  
24 Labor Commissioner be required to make a one-time direct payment of  
25 five hundred dollars to all individuals who experienced economic  
26 hardships due to the COVID-19 pandemic and received unemployment  
27 compensation benefits between March 15, 2020, and December 31, 2020,  
28 inclusive.

***Statement of Purpose:***

To reform certain taxes to reduce taxes for middle-class families and enable investments in education, housing, health care and long-term care services, and to require the Labor Commissioner to make a one-time direct payment of five hundred dollars to individuals who experienced economic hardships due to the COVID-19 pandemic and received unemployment compensation benefits between March 15, 2020, and December 31, 2020, inclusive.