



General Assembly

January Session, 2023

**Proposed Bill No. 5691**

LCO No. 2943



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:

REP. WOOD K., 29th Dist.  
REP. BARRY, 31st Dist.  
REP. POULOS, 81st Dist.

REP. LEEPER, 132nd Dist.  
REP. QUINN, 82nd Dist.  
REP. DATHAN, 142nd Dist.

**AN ACT ADJUSTING THE QUALIFYING INCOME THRESHOLDS FOR CERTAIN PERSONAL INCOME TAX DEDUCTIONS AND CONCERNING THE CLIFF EFFECT.**

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

1 That section 12-701 of the general statutes be amended to (1) increase,  
2 from less than one hundred thousand dollars to less than one hundred  
3 fifty thousand dollars for married individuals filing jointly, the  
4 qualifying income thresholds for the personal income tax deductions for  
5 Social Security benefits, pension or annuity income and distributions  
6 from certain individual retirement accounts, (2) require the qualifying  
7 income thresholds for such deductions for all eligible filers to be indexed  
8 to reflect the rate of inflation, using the consumer price index, and (3)  
9 provide for income threshold phase-outs of (A) twenty per cent for each  
10 five thousand dollars or fraction thereof of adjusted gross income for  
11 unmarried individuals, married individuals filing separately and heads  
12 of households, and (B) twenty per cent for each ten thousand dollars or

13 fraction thereof of adjusted gross income for married individuals filing  
14 jointly, to eliminate the cliff effect.

***Statement of Purpose:***

To (1) increase, for married individuals filing jointly, the qualifying income thresholds for the personal income tax deductions for Social Security benefits, pension or annuity income and distributions from certain individual retirement accounts, (2) require the qualifying income thresholds for such deductions for all eligible filers to be indexed to reflect the rate of inflation, using the consumer price index, and (3) provide for income threshold phase-outs to eliminate the cliff effect.