

House Republican Press Release

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Alberts Pushing Pension Protection Legislation



State Rep. Michael Alberts, R-Woodstock, is pushing legislation that would exempt retirees' pension benefits from the state income tax in order to eliminate tax payer flight to states' where this relief is provided. Connecticut is one of four states that fully tax all pensions as earned income, and one of only five states that provides no relief for veterans.

With energy and healthcare costs on the rise, Rep. Alberts said it is more important than ever to take prompt action in order to keep our residents here.

“Our seniors have worked too long to ask them to continue paying taxes on their retirement benefits that the state treats as earned income,” said Rep. Alberts. “We owe them a debt of gratitude in their golden years.”

He added, “As a state, we want to keep our retirees in Connecticut because of what they have to offer to ensure we preserve a high standard of living. Our seniors are the backbone of our volunteer community; they are our parents and grandparents. We owe them that much.”

House Republicans have proposed House Bill 5541 which would eliminate the personal income tax on pensions and Social Security for individuals sixty-two years of age or older. This bill would undoubtedly retain more Connecticut residents and reduce the incentive for leaving in order to sustain a more reasonable tax break.

This issue is part of an overall larger effort by House Republicans to provide incentives for not only seniors, but to younger people as well to remain in Connecticut. Proposed House Bill 5490 provides Connecticut college students with a trust fund of their income tax for ten years after graduation to use as a down payment toward a house.

Connecticut had a net loss of over seven thousand taxpayers of all ages to other states in a period of one year from 2003 to 2004. Those net 7,393 taxpayers took with them an estimated \$404.8 million in AGI (adjusted gross income).

State Rep, Mike Alberts represents the communities of Brooklyn, Eastford, Hampton, Pomfret and Woodstock.