

## House Republican Press Release

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### INDEPENDENT ANALYSIS REVEALS MYTH OF DEMOCRATIC BUDGET



#### NO 95% Tax Cut

HARTFORD - House Republican Leader Lawrence F. Cafero, Jr. today released a letter from the nonpartisan Office of Fiscal Analysis showing the Democrats' claim that their tax plan will cut taxes for 95 percent of income tax filers is false.

The OFA analysis indicates the Democrats have exaggerated the impact of their tax plan and that the number of tax filers who would receive a small income tax cut is **58 percent**.

That is before adding Democrats' tax increases approved yesterday on clothing, funerals, cigarettes and Internet sales as well as estates tax increases retroactive to people who die after January 1, 2007. When those tax increases are calculated even fewer people would receive a tax cut.

"This dispels the myth that is the Democratic tax proposal. We know, and the public is aware, that with a nearly \$900 million budget surplus this is not the year to raise taxes. The OFA report shows that the Democratic proposal is sham," Cafero said

In fact, the Democrats' tax plan approved yesterday in the state House of Representatives increases taxes by \$729.9 million over the next two fiscal years, again according to the nonpartisan Office of Fiscal Analysis.

Cafero requested that OFA answer the question, "What is the percentage of the state income tax returns filed by Connecticut residents that would receive a tax decrease under the Democrats' most recent proposal to change the state income tax and the property tax credit?"

OFA responded today that the number is 58 percent.

"Cutting through the political rhetoric," said Rep. Cafero, "these numbers show the Democrats were off by half. Only about half the number of people that the Democrats boast would receive an income tax cut would see any relief at all."

Cafero reiterated that a Democrat income tax cut would amount to no more than one or two dollars a day, or the cost of a cup of coffee.

Cafero added “Only half as many tax filers would receive a cut amounting to about a cup of coffee a day, but if people pay tax on clothing, or have a death in the family or buy cigarettes, that cup of coffee flies right out the window.”