

House Republican Press Release

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REP. GIEGLER BACKS TAX RELIEF FOR CONSTITUENTS, BUSINESSES



State Rep. Janice Giegler, (R-Danbury, New Fairfield) has cosponsored legislation that would exempt retirees' pension benefits from the state income tax. House Bill 5541 would eliminate the personal income tax on pensions and Social Security for individuals sixty-two years of age or older.

Connecticut is one of four states that fully tax all pensions as earned income and one of only five states that currently provide no relief for veterans' pension benefits. With energy and healthcare costs on the rise, Rep. Giegler said it is more important than ever to help those on fixed incomes.

“Connecticut residents are among the mostly heavily taxed in the nation and forcing our seniors to pay income taxes on their retirement benefits represents the one of the worst examples of overtaxation,” said Rep. Giegler. “Elderly residents worked hard for their pension benefits and should be rewarded, not penalized, for earning them.”

This issue is part of an overall larger effort by the House Republican Caucus to provide tax relief for not only seniors, but for businesses as well. House Bill 5610 would eliminate the state's \$250 minimum business entity tax. According to the Department of Revenue Services (DRS), more than 2,174 businesses in Danbury and 263 businesses in New Fairfield pay this tax. Under the current tax structure, ‘Mom and Pop’ stores pay the same tax for opening their doors---and repay it annually--as huge corporations.

“For our state to have a strong, competitive economy, we need the kind of job growth that small businesses provide,” said Rep. Giegler. “State government should encourage these entrepreneurs, not penalize them just for opening their doors.”