

House Republican Press Release

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Rep. Rowe: Republican ‘No Tax Increase’ Alternative Budget The Best Path For Connecticut



PROPOSAL WOULD INCREASE EDUCATION FUNDING FOR TRUMBULL

HARTFORD – State Rep. T.R. Rowe, R-Trumbull, today joined with House Republicans in unveiling an alternative budget plan that requires no new taxes, is balanced and would save taxpayers at least \$1 billion over the next two years without slashing vital state services.

Trumbull would receive an additional \$1.25 million in state Education Cost Sharing (ECS) funds under the “No-Tax-Increase Republican Budget Alternative” (vs. an additional \$75,540 under the Democrat plan) with no increase in the state income tax. The Republican budget proposal would also begin to reduce other taxes, including the state income tax on senior citizen pension benefits.

In direct contrast to the Democratic plan that would raise spending by \$1.7 billion, the Republican plan would spare Connecticut another tax hike. But Republicans noted that their plan increases spending in many areas:

- \$358 million in public school funding and \$1.1 billion for fully funding teachers’ pensions;
- Medicaid reimbursements for hospitals increases by \$87 million to expand healthcare access for low income families;
- another \$50 million for other providers and \$13 million for nursing homes;
- municipal aid for town and city PILOTS, Town Aid Road and the Pequot Fund goes up by \$23 million;
- \$20 million for a unique first-time home buyer’s initiative for college graduates that will help keep young people in Connecticut;
- Dedicates \$2 million to help state dairy farmers meet the rising costs of doing business.

“Our proposal shows that we do not need to raise taxes in order to balance the state budget,” said Rep. Rowe. “It has simply become too expensive for most taxpayers to meet their monthly obligations, with utility bills, gasoline bills and grocery bills continuing to rise. People just can’t afford higher taxes and the Republican budget respects that.”

Connecticut residents already pay the highest taxes in America, and raising them higher only drives them away to lower cost states. House Republican tax cuts include:

- Phasing out the state income tax on pensions to save retirees \$33 million;
- Eliminating the annual tax on small businesses resulting in a \$25 million savings;
- Doing away with the electricity sales tax for businesses resulting in a \$30 million savings;
- Phasing out the estate tax and eliminating the cliff;
- Retaining the clothing tax exemption Democrats want to do away with;
- “Deleting” the Internet sales tax scheme as proposed by the Democrats.