

## House Republican Press Release

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### Rep. Stripp: Champions Tax Relief for Retirees



#### ***“Learn Here, Live Here, Retire Here” Senior Security***

HARTFORD – State Representative John Stripp R-135<sup>th</sup> District, today announced support for a series of House Republican proposals that would provide direct tax relief to retirees to encourage them to stay and retire in Connecticut.

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 retirees and reduce the incentive for leaving in order to obtain a more favorable tax climate. 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.

Rep. Stripp said, “These are relatively modest first steps in helping senior citizens remain in their own homes, in the state of Connecticut, and with a good quality of life. Our elders form the backbone of our community. They are our parents and grandparents and we owe them that much.”

A bill to create a volunteer property tax abatement program for homeowners 65 years of age and older is also being proposed, *HB- 5712, An Act Establishing a Program to Allow Senior Citizens to Earn a Property Tax Abatement by Performing Work in their Municipality*. This would permit eligible seniors to receive a property tax abatement of up to \$750 in exchange for volunteering their service in the municipality where they reside.

Another proposal, *HB-5542 An Act Concerning Eligibility for Elderly Property Tax Relief*, calls for reducing the current age of eligibility from 70 years to 65 years of age, and increases the income eligibility limits for individuals by \$10,000 and married couples by \$10,000 for the Elderly Property Tax Credit.

This issue is part of an overall larger effort by House Republicans to give incentives not only to seniors, but also to younger people 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.

“These are valuable citizens who can volunteer in their communities, assist local organizations and share their knowledge and experience with various cultural, historical and charitable organizations. Other states are actively vying for them, and we want them to stay in Connecticut,” added Rep. Stripp.

Two other proposals House Republican members are putting forward which relate to retirees are senior citizen home health care and prescription drug assistance.

One proposal is *HB-5638, An Act Concerning Expansion of the 'Money Follows the Person' Home Care Demonstration Program*, this would help eligible seniors move from nursing homes into home care or community care arrangements.

A proposal increasing income eligibility for the state ConnPACE prescription drug assistance program would be part of the state budget legislation.

Connecticut had a net loss of more than 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).