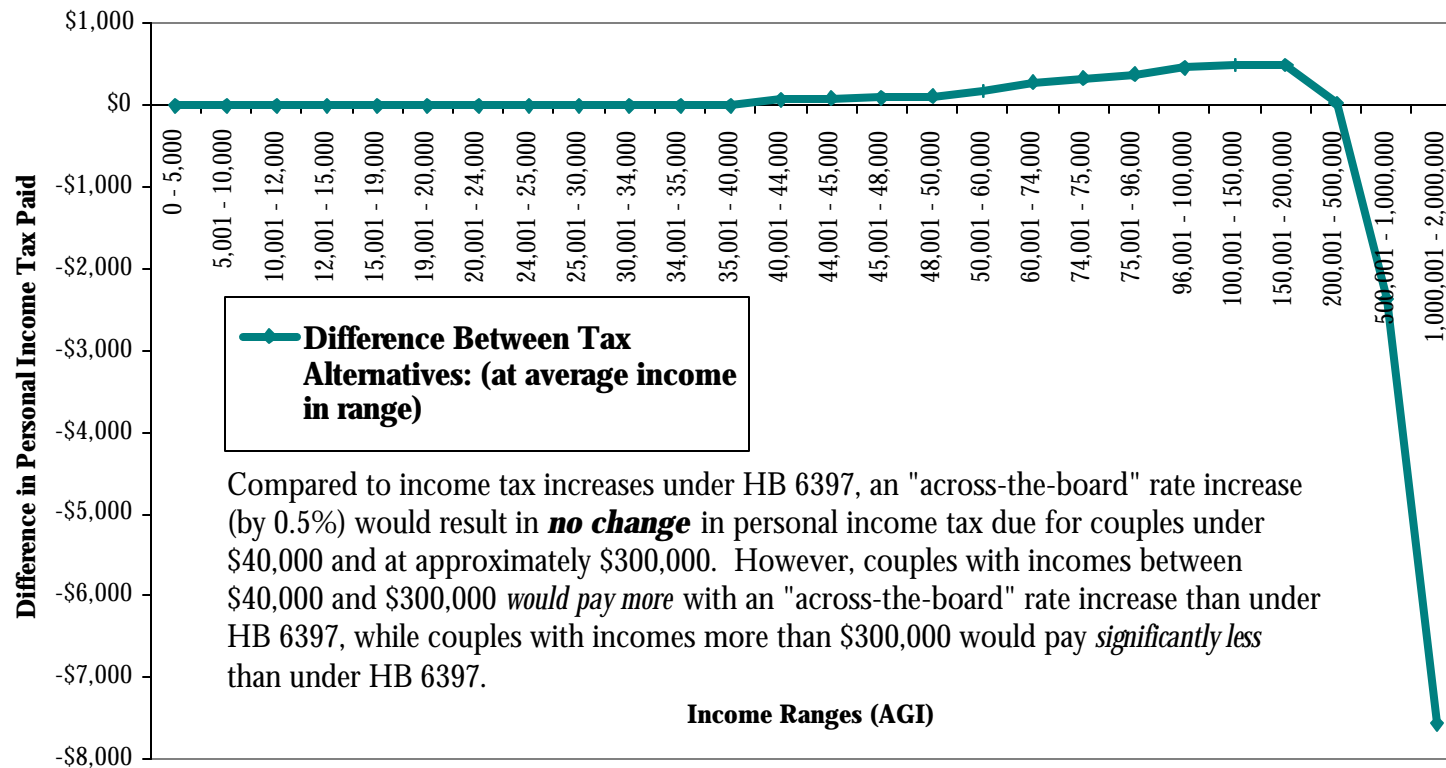


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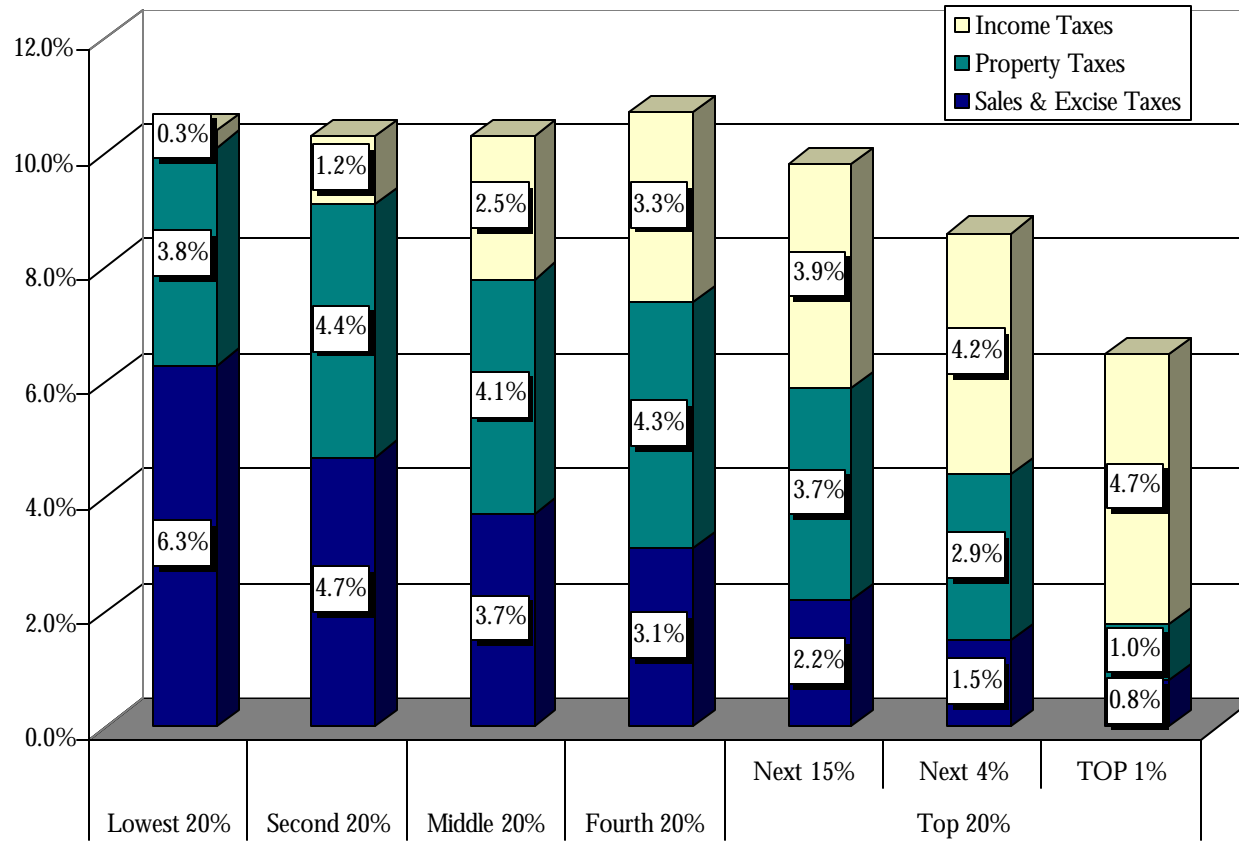
A Connecticut Voices for Children
Issue Brief

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Difference in Personal Income Taxes Under Proposal to Increase the Personal Income Tax Rates 0.5% "Across-the-Board" (from 3.0% to 3.5% & from 4.5% to 5%) Compared to Vetoed HB 6397 (LCO 3315) (Data on joint filers, based on TY2000 DRS tax data)



Connecticut State and Local Taxes, 2002



Source: Institute for Taxation and Economic Policy, Who Pays?: A Distributional Analysis of the Tax Systems in All 50 States, 2nd Edition, 2003.

The above table shows, by family income grouping, what share of a CT family’s income is paid in state and local taxes. CT families with the highest incomes currently pay *less* of their income in total state and local taxes than CT families in the bottom 80% of the income distribution. While HB 6397 would have made the overall state and local tax burden more equal across all CT families (by increasing income taxes most on the highest income taxpayers), an “across-the-board” rate hike does not diminish this inequity.