



General Assembly

**Amendment**

February Session, 2022

LCO No. 6378



Offered by:  
REP. LANOUE, 45<sup>th</sup> Dist.

To: Subst. House Bill No. 5213

File No. 630

Cal. No. 473

**"AN ACT CONCERNING PAYMENTS TO VOLUNTEER FIRE COMPANIES FOR RESPONDING TO CALLS ON LIMITED ACCESS HIGHWAYS AND AT CERTAIN OTHER LOCATIONS."**

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. Subparagraph (B) of subdivision (20) of subsection (a) of  
4 section 12-701 of the 2022 supplement to the general statutes is repealed  
5 and the following is substituted in lieu thereof (*Effective January 1, 2023,*  
6 *and applicable to taxable years commencing on or after January 1, 2023*):

7 (B) There shall be subtracted therefrom:

8 (i) To the extent properly includable in gross income for federal  
9 income tax purposes, any income with respect to which taxation by any  
10 state is prohibited by federal law;

11 (ii) To the extent allowable under section 12-718, exempt dividends  
12 paid by a regulated investment company;

13 (iii) To the extent properly includable in gross income for federal  
14 income tax purposes, the amount of any refund or credit for  
15 overpayment of income taxes imposed by this state, or any other state  
16 of the United States or a political subdivision thereof, or the District of  
17 Columbia;

18 (iv) To the extent properly includable in gross income for federal  
19 income tax purposes and not otherwise subtracted from federal  
20 adjusted gross income pursuant to clause (x) of this subparagraph in  
21 computing Connecticut adjusted gross income, any tier 1 railroad  
22 retirement benefits;

23 (v) To the extent any additional allowance for depreciation under  
24 Section 168(k) of the Internal Revenue Code for property placed in  
25 service after September 27, 2017, was added to federal adjusted gross  
26 income pursuant to subparagraph (A)(ix) of this subdivision in  
27 computing Connecticut adjusted gross income, twenty-five per cent of  
28 such additional allowance for depreciation in each of the four  
29 succeeding taxable years;

30 (vi) To the extent properly includable in gross income for federal  
31 income tax purposes, any interest income from obligations issued by or  
32 on behalf of the state of Connecticut, any political subdivision thereof,  
33 or public instrumentality, state or local authority, district or similar  
34 public entity created under the laws of the state of Connecticut;

35 (vii) To the extent properly includable in determining the net gain or  
36 loss from the sale or other disposition of capital assets for federal income  
37 tax purposes, any gain from the sale or exchange of obligations issued  
38 by or on behalf of the state of Connecticut, any political subdivision  
39 thereof, or public instrumentality, state or local authority, district or  
40 similar public entity created under the laws of the state of Connecticut,  
41 in the income year such gain was recognized;

42 (viii) Any interest on indebtedness incurred or continued to purchase  
43 or carry obligations or securities the interest on which is subject to tax  
44 under this chapter but exempt from federal income tax, to the extent that

45 such interest on indebtedness is not deductible in determining federal  
46 adjusted gross income and is attributable to a trade or business carried  
47 on by such individual;

48 (ix) Ordinary and necessary expenses paid or incurred during the  
49 taxable year for the production or collection of income which is subject  
50 to taxation under this chapter but exempt from federal income tax, or  
51 the management, conservation or maintenance of property held for the  
52 production of such income, and the amortizable bond premium for the  
53 taxable year on any bond the interest on which is subject to tax under  
54 this chapter but exempt from federal income tax, to the extent that such  
55 expenses and premiums are not deductible in determining federal  
56 adjusted gross income and are attributable to a trade or business carried  
57 on by such individual;

58 (x) (I) For taxable years commencing prior to January 1, 2019, for a  
59 person who files a return under the federal income tax as an unmarried  
60 individual whose federal adjusted gross income for such taxable year is  
61 less than fifty thousand dollars, or as a married individual filing  
62 separately whose federal adjusted gross income for such taxable year is  
63 less than fifty thousand dollars, or for a husband and wife who file a  
64 return under the federal income tax as married individuals filing jointly  
65 whose federal adjusted gross income for such taxable year is less than  
66 sixty thousand dollars or a person who files a return under the federal  
67 income tax as a head of household whose federal adjusted gross income  
68 for such taxable year is less than sixty thousand dollars, an amount  
69 equal to the Social Security benefits includable for federal income tax  
70 purposes;

71 (II) For taxable years commencing prior to January 1, 2019, for a  
72 person who files a return under the federal income tax as an unmarried  
73 individual whose federal adjusted gross income for such taxable year is  
74 fifty thousand dollars or more, or as a married individual filing  
75 separately whose federal adjusted gross income for such taxable year is  
76 fifty thousand dollars or more, or for a husband and wife who file a  
77 return under the federal income tax as married individuals filing jointly

78 whose federal adjusted gross income from such taxable year is sixty  
79 thousand dollars or more or for a person who files a return under the  
80 federal income tax as a head of household whose federal adjusted gross  
81 income for such taxable year is sixty thousand dollars or more, an  
82 amount equal to the difference between the amount of Social Security  
83 benefits includable for federal income tax purposes and the lesser of  
84 twenty-five per cent of the Social Security benefits received during the  
85 taxable year, or twenty-five per cent of the excess described in Section  
86 86(b)(1) of the Internal Revenue Code;

87 (III) For the taxable year commencing January 1, 2019, and each  
88 taxable year thereafter, for a person who files a return under the federal  
89 income tax as an unmarried individual whose federal adjusted gross  
90 income for such taxable year is less than seventy-five thousand dollars,  
91 or as a married individual filing separately whose federal adjusted gross  
92 income for such taxable year is less than seventy-five thousand dollars,  
93 or for a husband and wife who file a return under the federal income tax  
94 as married individuals filing jointly whose federal adjusted gross  
95 income for such taxable year is less than one hundred thousand dollars  
96 or a person who files a return under the federal income tax as a head of  
97 household whose federal adjusted gross income for such taxable year is  
98 less than one hundred thousand dollars, an amount equal to the Social  
99 Security benefits includable for federal income tax purposes; and

100 (IV) For the taxable year commencing January 1, 2019, and each  
101 taxable year thereafter, for a person who files a return under the federal  
102 income tax as an unmarried individual whose federal adjusted gross  
103 income for such taxable year is seventy-five thousand dollars or more,  
104 or as a married individual filing separately whose federal adjusted gross  
105 income for such taxable year is seventy-five thousand dollars or more,  
106 or for a husband and wife who file a return under the federal income tax  
107 as married individuals filing jointly whose federal adjusted gross  
108 income from such taxable year is one hundred thousand dollars or more  
109 or for a person who files a return under the federal income tax as a head  
110 of household whose federal adjusted gross income for such taxable year  
111 is one hundred thousand dollars or more, an amount equal to the

112 difference between the amount of Social Security benefits includable for  
113 federal income tax purposes and the lesser of twenty-five per cent of the  
114 Social Security benefits received during the taxable year, or twenty-five  
115 per cent of the excess described in Section 86(b)(1) of the Internal  
116 Revenue Code;

117 (xi) To the extent properly includable in gross income for federal  
118 income tax purposes, any amount rebated to a taxpayer pursuant to  
119 section 12-746;

120 (xii) To the extent properly includable in the gross income for federal  
121 income tax purposes of a designated beneficiary, any distribution to  
122 such beneficiary from any qualified state tuition program, as defined in  
123 Section 529(b) of the Internal Revenue Code, established and  
124 maintained by this state or any official, agency or instrumentality of the  
125 state;

126 (xiii) To the extent allowable under section 12-701a, contributions to  
127 accounts established pursuant to any qualified state tuition program, as  
128 defined in Section 529(b) of the Internal Revenue Code, established and  
129 maintained by this state or any official, agency or instrumentality of the  
130 state;

131 (xiv) To the extent properly includable in gross income for federal  
132 income tax purposes, the amount of any Holocaust victims' settlement  
133 payment received in the taxable year by a Holocaust victim;

134 (xv) To the extent properly includable in gross income for federal  
135 income tax purposes of an account holder, as defined in section 31-  
136 51ww, interest earned on funds deposited in the individual  
137 development account, as defined in section 31-51ww, of such account  
138 holder;

139 (xvi) To the extent properly includable in the gross income for federal  
140 income tax purposes of a designated beneficiary, as defined in section  
141 3-123aa, interest, dividends or capital gains earned on contributions to  
142 accounts established for the designated beneficiary pursuant to the

143 Connecticut Homecare Option Program for the Elderly established by  
144 sections 3-123aa to 3-123ff, inclusive;

145 (xvii) To the extent properly includable in gross income for federal  
146 income tax purposes, any income received from the United States  
147 government as retirement pay for a retired member of (I) the Armed  
148 Forces of the United States, as defined in Section 101 of Title 10 of the  
149 United States Code, or (II) the National Guard, as defined in Section 101  
150 of Title 10 of the United States Code;

151 (xviii) To the extent properly includable in gross income for federal  
152 income tax purposes for the taxable year, any income from the discharge  
153 of indebtedness in connection with any reacquisition, after December  
154 31, 2008, and before January 1, 2011, of an applicable debt instrument or  
155 instruments, as those terms are defined in Section 108 of the Internal  
156 Revenue Code, as amended by Section 1231 of the American Recovery  
157 and Reinvestment Act of 2009, to the extent any such income was added  
158 to federal adjusted gross income pursuant to subparagraph (A)(xi) of  
159 this subdivision in computing Connecticut adjusted gross income for a  
160 preceding taxable year;

161 (xix) To the extent not deductible in determining federal adjusted  
162 gross income, the amount of any contribution to a manufacturing  
163 reinvestment account established pursuant to section 32-9zz in the  
164 taxable year that such contribution is made;

165 (xx) To the extent properly includable in gross income for federal  
166 income tax purposes, (I) for the taxable year commencing January 1,  
167 2015, ten per cent of the income received from the state teachers'  
168 retirement system, (II) for the taxable years commencing January 1,  
169 2016, to January 1, 2020, inclusive, twenty-five per cent of the income  
170 received from the state teachers' retirement system, and (III) for the  
171 taxable year commencing January 1, 2021, and each taxable year  
172 thereafter, fifty per cent of the income received from the state teachers'  
173 retirement system or, for a taxpayer whose federal adjusted gross  
174 income does not exceed the applicable threshold under clause (xxi) of

175 this subparagraph, the percentage pursuant to said clause of the income  
176 received from the state teachers' retirement system, whichever  
177 deduction is greater;

178 (xxi) To the extent properly includable in gross income for federal  
179 income tax purposes, except for retirement benefits under clause (iv) of  
180 this subparagraph and retirement pay under clause (xvii) of this  
181 subparagraph, for a person who files a return under the federal income  
182 tax as an unmarried individual whose federal adjusted gross income for  
183 such taxable year is less than seventy-five thousand dollars, or as a  
184 married individual filing separately whose federal adjusted gross  
185 income for such taxable year is less than seventy-five thousand dollars,  
186 or as a head of household whose federal adjusted gross income for such  
187 taxable year is less than seventy-five thousand dollars, or for a husband  
188 and wife who file a return under the federal income tax as married  
189 individuals filing jointly whose federal adjusted gross income for such  
190 taxable year is less than one hundred thousand dollars, (I) for the taxable  
191 year commencing January 1, 2019, fourteen per cent of any pension or  
192 annuity income, (II) for the taxable year commencing January 1, 2020,  
193 twenty-eight per cent of any pension or annuity income, (III) for the  
194 taxable year commencing January 1, 2021, forty-two per cent of any  
195 pension or annuity income, (IV) for the taxable year commencing  
196 January 1, 2022, fifty-six per cent of any pension or annuity income, (V)  
197 for the taxable year commencing January 1, 2023, seventy per cent of any  
198 pension or annuity income, (VI) for the taxable year commencing  
199 January 1, 2024, eighty-four per cent of any pension or annuity income,  
200 and (VII) for the taxable year commencing January 1, 2025, and each  
201 taxable year thereafter, any pension or annuity income;

202 (xxii) The amount of lost wages and medical, travel and housing  
203 expenses, not to exceed ten thousand dollars in the aggregate, incurred  
204 by a taxpayer during the taxable year in connection with the donation  
205 to another person of an organ for organ transplantation occurring on or  
206 after January 1, 2017;

207 (xxiii) To the extent properly includable in gross income for federal

208 income tax purposes, the amount of any financial assistance received  
209 from the Crumbling Foundations Assistance Fund or paid to or on  
210 behalf of the owner of a residential building pursuant to sections 8-442  
211 and 8-443;

212 (xxiv) To the extent properly includable in gross income for federal  
213 income tax purposes, the amount calculated pursuant to subsection (b)  
214 of section 12-704g for income received by a general partner of a venture  
215 capital fund, as defined in 17 CFR 275.203(l)-1, as amended from time to  
216 time;

217 (xxv) To the extent any portion of a deduction under Section 179 of  
218 the Internal Revenue Code was added to federal adjusted gross income  
219 pursuant to subparagraph (A)(xiv) of this subdivision in computing  
220 Connecticut adjusted gross income, twenty-five per cent of such  
221 disallowed portion of the deduction in each of the four succeeding  
222 taxable years; [and]

223 (xxvi) To the extent properly includable in gross income for federal  
224 income tax purposes, for a person who files a return under the federal  
225 income tax as an unmarried individual whose federal adjusted gross  
226 income for such taxable year is less than seventy-five thousand dollars,  
227 or as a married individual filing separately whose federal adjusted gross  
228 income for such taxable year is less than seventy-five thousand dollars,  
229 or as a head of household whose federal adjusted gross income for such  
230 taxable year is less than seventy-five thousand dollars, or for a husband  
231 and wife who file a return under the federal income tax as married  
232 individuals filing jointly whose federal adjusted gross income for such  
233 taxable year is less than one hundred thousand dollars, (I) for the taxable  
234 year commencing January 1, 2023, twenty-five per cent of any  
235 distribution from an individual retirement account other than a Roth  
236 individual retirement account, (II) for the taxable year commencing  
237 January 1, 2024, fifty per cent of any distribution from an individual  
238 retirement account other than a Roth individual retirement account, (III)  
239 for the taxable year commencing January 1, 2025, seventy-five per cent  
240 of any distribution from an individual retirement account other than a



241 Roth individual retirement account, and (IV) for the taxable year  
 242 commencing January 1, 2026, and each taxable year thereafter, any  
 243 distribution from an individual retirement account other than a Roth  
 244 individual retirement account; and

245 (xxvii) To the extent properly includable in gross income for federal  
 246 income tax purposes, any qualified payment, as defined in Section 139B  
 247 of the Internal Revenue Code, not to exceed nine hundred dollars in the  
 248 aggregate."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2023, and applicable to taxable years commencing on or after January 1, 2023</i>	12-701(a)(20)(B)