



General Assembly

January Session, 2023

Proposed Bill No. 370

LCO No. 1490



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
SEN. FAZIO, 36th Dist.

AN ACT REDUCING THE PERSONAL INCOME TAX MARGINAL RATES AND CONCERNING THE ASSET EXPENSE DEDUCTIONS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 That (1) title 12 of the general statutes be amended to: (A) Reduce the
2 marginal rates for the personal income tax (i) by two percentage points
3 for unmarried individuals and married individuals filing separately,
4 with federal adjusted gross income of less than one hundred thousand
5 dollars, (ii) by one and one-half percentage points for such individuals
6 with federal adjusted gross income of one hundred thousand dollars or
7 more but less than two hundred fifty thousand dollars, (iii) by one
8 percentage point for such individuals with federal adjusted gross
9 income of two hundred fifty thousand dollars or more, and (iv) by
10 proportional amounts for individuals filing as heads of households and
11 married individuals filing jointly; and (B) allow a taxpayer eligible to
12 claim an asset expense deduction under Section 179 of the Internal
13 Revenue Code to claim the entirety of such deduction at once in lieu of
14 the current apportionment method over five years, such change to be
15 phased in for taxable and income years commencing on or after January

16 1, 2025; and (2) a task force be established to study the magnitude of
17 economic growth generated by tax expenditures and recommend a plan
18 to offset the revenue loss resulting from the reductions in the personal
19 income tax with reductions in long-term spending or tax expenditures
20 or both.

Statement of Purpose:

To reduce the marginal rates for the personal income tax, allow an eligible taxpayer to claim the entirety of an asset expense deduction under Section 179 of the Internal Revenue Code at once rather than incrementally and establish a task force to recommend a plan to offset the revenue loss resulting from the personal income tax reductions.