

KEVIN LEMBO
STATE COMPTROLLER



MARTHA CARLSON
DEPUTY COMPTROLLER



STATE OF CONNECTICUT
OFFICE *of the* STATE COMPTROLLER
55 Elm Street
Hartford, CT 06106

Written Testimony
Comptroller Kevin Lembo
April 10, 2019

**H.B. No. 7411 AN ACT ESTABLISHING A PERSONAL INCOME TAX DEDUCTION FOR
INDIVIDUAL HEALTH INSURANCE PREMIUM PAYMENTS.**

Good morning Senator Fonfara, Representative Rojas, Senator Witkos, Representative Davis and members of the Finance, Revenue and Bonding Committee. Thank you for the opportunity to testify in support of HB 7411-An Act Establishing a Personal Income Tax Deduction for Individual Health Insurance Premiums Payments which, if passed, would establish a state personal income tax deduction for those who purchase a fully insured healthcare plan in the individual market.

In order for an individual to qualify for a tax deduction their medical expenses must exceed 7.5 percent of their adjusted gross income, a threshold that is typically very difficult to meet unless substantial medical expenses were accrued. This amount increased to 10 percent starting in 2019. Health care premium costs for coverage provided by an employer, however, is deducted pre-tax. It is a simple matter of fairness that those who purchase health insurance in the individual market have access to this same tax relief.

Why should health care premium costs be pre-tax for individuals who receive their health care through their employer, while those who make the responsible decision to purchase on their own must pay with post-tax dollars?

Health care premiums in the individual market are expensive and challenging for individuals and families to afford. Allowing them to benefit from a tax deduction for insurance premium payments would be a small step towards making health insurance more affordable for working families that are often caught between not having the option of employer sponsored health insurance and being ineligible for state sponsored insurance.

I urge your support and thank you for your consideration of HB 7411.