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**Written Testimony
Comptroller Kevin Lembo
March 3, 2017**

**Concerning
S.B. 6 AA Exempting Social Security Income from the Personal Income Tax
H.B. 5587 AAC a Tax Exemption for Seniors' Social Security Benefits**

Good morning Senator Fonfara, Representative Rojas, Senator Frantz, Representative Davis, and Members of the Finance Committee:

Thank you for raising this legislation and for the opportunity to show my support for exempting social security benefits from the state income tax.

Connecticut is often perceived as unfriendly to retirees. According to a 2014 U.S. Census Survey, the state experienced a net out-migration of over 5,000 residents aged 65 and older. Connecticut consistently ranks poorly among the best states to retire — 42nd by Bankrate and 39th by Money Magazine.

Currently, Connecticut is among only 13 states taxing social security benefits. As the state seeks to retain our retiree residents, we need to stay competitive with other states.

Connecticut currently allows taxpayers to deduct either 75% or 100% of federally taxable Social Security benefits, depending on income. Expanding this policy to exempt all Social Security benefits, regardless of federal tax treatment or taxpayer Adjusted Gross Income (AGI), would be a minor yet important step toward ensuring our state is committed to its retirees. I urge your support.

Thank you for your time.