



General Assembly

January Session, 2023

Proposed Bill No. 690

LCO No. 2853



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
SEN. HWANG, 28th Dist.

AN ACT REVISING THE PERSONAL INCOME TAX DEDUCTIONS FOR SOCIAL SECURITY BENEFITS, PENSION AND ANNUITY INCOME AND DISTRIBUTIONS FROM CERTAIN INDIVIDUAL RETIREMENT ACCOUNTS.

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

1 That section 12-701 of the general statutes be amended to (1) allow
2 the personal income tax deduction for any distribution from certain
3 individual retirement accounts to be effective for taxable years
4 commencing on or after January 1, 2023, in lieu of the current phase-in
5 schedule; and (2) replace the current personal income tax deductions for
6 Social Security benefits, pension and annuity income and distributions
7 from certain individual retirement accounts with a personal income tax
8 deduction for such benefits, income and distributions in the following
9 amounts: (A) For an unmarried individual or a married individual filing
10 separately, up to one hundred thousand dollars, such amount to be
11 reduced by twenty per cent for each twenty thousand dollars or fraction
12 thereof of adjusted gross income over one hundred thousand dollars;
13 and (B) for married individuals filing jointly or an individual filing as a

14 head of household, up to two hundred thousand dollars, such amount
15 to be reduced by twenty per cent for each forty thousand dollars or
16 fraction thereof of adjusted gross income over two hundred thousand
17 dollars.

Statement of Purpose:

To allow the personal income tax deduction for distributions from certain individual retirement accounts to be fully effective sooner and to revise the current personal income tax deductions for Social Security benefits, pension and annuity income and distributions from certain individual retirement accounts.