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www.betterchoicesforCT.org

Did you know that Connecticut's wealthiest families pay a much *smaller* share of their income in state and local taxes (4.9%) than Connecticut's middle-income families (9.9%) and low-income families (12%)?

The FY2012 Better Choices for Connecticut Plan

- **Reform the personal income tax** to increase income taxes for those who can best afford it and provide relief for struggling families through a State Earned Income Tax Credit. **Estimated \$785 million.**
- An **additional \$620 million** can be gained by placing a **temporary surtax on high-income households to recapture windfall achieved through the continuation of Bush-era tax cuts.**
- **Reduce unaffordable sales and business tax subsidies.** Many tax expenditures provide limited or no social or economic benefit and go unchecked from year to year. **Up to \$1.72 billion.**
- **Close corporate income tax loopholes through mandatory combined reporting.** Flaws in our tax code allow large, multi-state corporations to artificially shift profits to subsidiaries in states without corporate income taxes, thereby costing the state millions of dollars and shifting responsibility for taxes onto local businesses and individuals. **Up to \$88 million.**
- **Restore previous rates on the Gift & Estate Tax.** At a time of unprecedented state budget deficits, Connecticut simply cannot afford reductions to the gift and estate tax. **Estimated \$50 million or more.**
- **Restore the scheduled Petroleum Gross Earnings Tax rate increase.** As gas prices soared in 2008, Connecticut eliminated a scheduled 0.5% increase which should be restored now that crude oil prices have fallen nearly 40%. **Estimated \$20-\$25 million.**
- **Reform the corporate income tax and apply a proportional tax to large "pass-through" businesses** so that similarly situated businesses are taxed equally. **Estimated \$100-\$300 million.**
- **Broaden the sales tax base to include services.** A sales tax that broadly applies to services would not only increase tax fairness, but could raise significant revenue while at the same time allowing for a lower overall sales tax rate. **Up to \$1.6 billion.**
- **Tax excess profits on electricity generators.** Windfall profits accruing to for-profit electricity generators because of deregulation could be a significant source of revenue and relief to rate payers. **Estimated \$400 million.**

There are Better Choices for Connecticut.

Better Choices for Connecticut is a broad-based community coalition that supports a balanced and equitable revenue system that reflects the priorities and values of the state's residents.

For more information, contact Jamey Bell (203) 498-4240 or Paul Filson (860) 251-6091