

In Connecticut, the rich pay less in Taxes than anyone else.

| Who? | Average Income | Taxes as % of Income¹ (state and local) |
|---|-----------------------|---|
| Very Rich (top 1%) | \$3.3 million | 4.7% |
| Rich (Next 4%) | \$412,000 | 7.3% |
| Top earners, small business owners (next 15%) | \$155,000 | 8.9% |
| Better-paid workers (4 th 20%) | \$88,000 | 9.6% |
| Middle income (middle 20%) | \$55,000 | 10.2% |
| Low-paid workers (2 nd 20%) | \$33,000 | 10.4% |
| Lowest-paid (lowest 20%) | \$15,000 | 10.9% |

- If the rich paid their fair share of taxes in 2006, state revenue would have increased by \$3.2 billion.²
- If the rich pay their fair share of taxes now, Connecticut could raise extra \$1.5 to \$2 billion this year to help weather this financial crisis.²

In Connecticut, tax loopholes protect Big corporations at the expense of Working families.

- Connecticut's total business taxes are the 2nd lowest in the nation. State and local taxes on business comprise only 3.7% of private-sector gross state product, compared to the national average of 4.9%.³
- Total business taxes as a percentage of the total general fund revenue has declined from 24% to 7%.⁴
- Revenue lost to corporate tax credits increased from almost zero in 1992, to about \$100 million from 1997-2004, and soared to \$300 million in 2008.⁵

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¹ 2006 figures, Source: Department of Revenue Services.

² 2006 figures, Source: Better Choices for Connecticut, *State Budget Proposal*, Feb. 2, 2009.

³ Source: Ernst & Young, in conjunction with the Council on State Taxation (COST), *Total State and Local Business Taxes: 50 State Estimates for Fiscal Year 2008*.

⁴ Connecticut Office of Fiscal Analysis Reports for fiscal years 1983 and 2006.

⁵ Source: Connecticut Voices for Children, *Business Tax Credits: The Blank Check in Connecticut's Economic Development Portfolio?* Mar., 2009.

