

Section VI

Financial Assistance

Disabled Tax Relief Program

Description:

The Office of Policy and Management (OPM) administers the Disabled Tax Relief Program. Property owners who are permanently and totally disabled may receive a \$1,000 property tax exemption. Applicants must provide proof of a permanent and total disability and must receive Social Security disability benefits or benefits under a federal, state or local retirement program, which contains disability requirements comparable to those of the Social Security Administration. Persons must apply for the tax exemption at their local Town Assessor's or Town Clerk's office.

Eligibility Requirements, Service Areas and Program Year:

Eligibility Requirements:

- Must reside in a town, city or borough that provides property tax relief to resident property owners eligible for total disability payments under Social Security or other government retirement plans.
- Property owner must be at least 18 years of age.
- Applications must be filed with the local Town Assessor or Town Clerk's office prior to October 1st.
- Proof of total and permanent disability must be provided to the Assessor's Office to receive exemption.
- There are no income requirements for the program.

Service Areas:

Statewide

Program Year:

July 1 – June 30

Contact Information:

To file an application contact the local Town Assessor or Town Clerk's office. Contact information for these offices can be found in the local telephone directory.

For more information:

Frank Intino
Office of Policy and Management
450 Capitol Avenue
Hartford, CT 06106
Telephone: 860-418-6290

Fax: 860-418-6493
Email: frank.intino@ct.gov
Website: www.ct.gov/opm

Related Information:

[Property Tax Relief, refer to page VI – 5.](#)

[Veteran’s Basic/Additional Exemption Tax Relief, refer to page VI - 24.](#)

Earned Income Tax Credit (EITC)

Description:

The Earned Income Tax Credit (EITC) is a tax credit for persons who work, but do not earn high incomes. Qualified individuals could pay less federal tax or pay no tax at all; in some cases, they could receive a refund beyond the amount of tax withheld.

Individuals who have raised a qualifying child:

Persons who raise children, including sons, daughters, stepchildren, foster children, brother, sister or any of their descendants can file for an EITC provided the child has lived with the worker for more than six months of the year. An adopted child, including a child placed with an individual for adoption, is treated as the individual's biological child. A foster child is any child placed with the worker by an authorized placement agency or court. Children must be under the age of 19, or 24, if they are full-time students for at least five months of the year. There is no age limit for children with permanent and total disabilities.

Workers who have raised at least one qualifying child can file for an Advanced EITC, which provides them with a portion of their tax credits prior to filing their Federal income tax returns. The Advanced EITC is paid to workers through their paychecks, resulting in larger paychecks throughout the year. Workers with an Advanced EITC are still eligible to file a Federal income tax return and receive a tax refund at the end of the year.

Individuals who have not raised qualifying children:

Workers who do not raise children and legal immigrants may also qualify for an EITC. In most cases the credit does not affect individuals' participation in other programs such as cash assistance, Medicaid, Food Stamps, Social Security Income (SSI) and public or subsidized housing.

Eligibility Requirements, Service Areas and Program Year:

Eligibility Requirements (2008):

Workers raising a qualified child:

- Must file either a Form 1040 or 1040A and complete and attach Schedule EIC (Earned Income Credit).
- Must have earned income from employment or self-employment.
- Workers raising one child in their home, must have an adjusted income of less than \$33,995 if single or Head of Household, \$36,995 if married. Workers raising more than one child in their home must have an adjusted income of less than \$38,646 if single or Head of Household, \$41,646 if married. The maximum credit allowed is \$2,917 for one child and \$4,824 for more than one child.
- For the 2009 Advanced EITC workers must have an adjusted gross income of less than \$35,463 if single and \$38,583 if married.

- Investment income must be no more than \$2,950.
- Income tax filing status cannot be “married, filing separately”.
- Must be a U.S. Citizen or resident alien for the entire year, a non-resident alien married to a U.S. Citizen or a resident alien and file a joint return.
- Worker cannot be a qualifying child of another person.

Workers who do not raise children:

- Individuals must write either “EIC” or the dollar amount of the Earned Income Tax Credit on the Earned Income Tax Credit line of their tax forms. Any tax form can be filed and the Schedule EIC does not need to be attached.
- Must have an adjusted gross income of less than \$12,880 if single and \$15,880 if married. The maximum allowed credit is \$438.
- Must be between the ages of 25 and 65 by the end of the year.
- Must have earned income from employment or self-employment.
- Must be a U.S. Citizen or resident alien for the entire year, a non-resident alien married to a U.S. Citizen or a resident alien and file a joint return.
- Investment income must be \$2,950 or less.
- Income tax filing status cannot be “married, filing separately”.
- Worker cannot be a qualifying child of another person.

Qualifying children:

- Must be a son, daughter, adopted child, grandchild, stepchild or foster child.
- Must have lived with the worker in the U.S. for more than six months of the year.
- Must be younger than age 19 at the end of the calendar year, or younger than age 24 and a full-time student, or any age, if permanently and totally disabled.

Service Areas:

Statewide

Program Year:

January 1 – December 31

Contact Information:

Most tax forms can be obtained from libraries, post offices, local Internal Revenue Service offices or can be downloaded at www.irs.gov.

For more information regarding Earned Income Tax Credit:

Website: www.irs.gov/eitc

Related Information:

N/A

Property Tax Relief

Description:

Elderly/Disabled Homeowners Circuit Breaker Tax Relief Program:

Older adults and persons who are totally disabled in residence of real property may receive a property tax credit up to \$1,250 for married couples and up to \$1,000 for individuals. The credit amount is calculated by the local assessor and applied by the tax collector to the participant's real property tax bill. The amount of credit granted is based on a graduated income scale. Persons must meet income limit requirements.

Elderly/Disabled Renters Rebate Tax Relief Program:

Older adults and persons who are totally disabled who rent an apartment or room or live in cooperative housing or a mobile home may receive a renters' rebate in the form of a direct grant on the assumption that part of the rent they pay covers their landlords' property taxes. Rebates may be up to \$900 for married couples and up to \$700 for individuals. The amount of rebate granted is based upon a graduated income scale and the amount of rent and utilities paid in the previous year, excluding telephone service. Persons must meet income requirements. Generally the lower a person's income, the larger the rebate he or she can receive. Certain government aid or subsidies can disqualify a person from this program.

Eligibility Requirements, Service Areas and Program Year:

Eligibility Requirements for Homeowners:

- Must be age 65 or older or permanently and totally disabled.
- Homeowners must submit their applications between May 15 and September 15.

Eligibility Requirements for Renters:

- Recipients or spouses must be age 65 or older, or be age 50 or older and the surviving spouse of a renter who at the time of death had qualified and was entitled to tax relief provided that such spouse was living with the renter at the time of death, or
- Must be age 18 or older with a permanent and total disability.
- Income cannot exceed \$30,500 for a single individual and \$37,300 for a couple.
- Must have resided in Connecticut for at least one year.
- Must provide proof of income, rent, and utilities.
- Must file applications between May 15 and September 15.

Service Areas:

Statewide

Program Year:
July – June

Contact Information:

Contact the Municipal Tax Assessor or the town's social service agency in the town in which the applicant resides. Telephone numbers can be found in the blue pages of the telephone directory.

For additional questions regarding the programs:

Office of Policy and Management
450 Capitol Avenue
Hartford, CT 06106
Telephone: 860-418-6290 or 800-617-8889
TDD: 860-418-6456
Fax: 860-418-6493
Email: Frank.Intino@ct.gov
Website: www.ct.gov/opm

Related Information:

[Disabled Tax Relief Program, refer to page VI – 1.](#)
[Veteran's Basic/Additional Exemption Tax Relief, refer to page VI – 24.](#)

Social Security

Description:

Social Security is the nation's basic method of providing some protection to persons and their families who lose income because of death, disability or retirement.

Work Credit

People qualify for receiving Social Security benefits by earning Social Security credits throughout their working careers. Ten years of coverage (40 quarters) usually insures workers and their families for life, but less than that may be enough for full coverage if workers have achieved a certain amount of work credit. Work credit requirements vary depending on the type of benefit and the age of the worker. Social Security Administration offices can answer questions regarding required work credit in specific cases. Generally, persons earn one credit for every \$1,090 they earned working with a maximum allowance of four credits per year.

Surviving Spouse

Surviving spouses who are at least age 60 (or at least age 50 with a severe disability) may receive benefits based on the earnings of their deceased spouse. Such benefits usually amount to 100 percent of what the deceased worker would have received if benefits were taken at full retirement, or 71.5 percent if taken at age 60 (age 50 if the person had a disability).

If surviving spouses receive benefits before age 62, they may receive benefits based on their own work record when they reach age 62, if the benefits from their own record are higher. Full benefits can only be received on one's own account by waiting until full retirement age. A surviving spouse could collect survivor's benefits at age 60 and then switch to the full benefit on his/her own record at full retirement age.

Retired Worker's Spouse

Spouses of retired workers may receive benefits based on the workers' earning records and/or their own work records, whichever is higher. Spouses who receive benefits based on the worker's earnings record is about one-half of the benefit amount. Reduced benefits may be received at age 62. Benefits are reduced for each month of retirement prior to full retirement age. Full benefits may be received at full retirement age. A spouse may not collect on their partner's earnings record unless both spouses are retired.

Divorced Spouse

Divorced spouses may receive benefits in the same manner as married spouses if the marriage lasted for at least 10 years. Divorced spouses may collect on their own accounts or the former spouse's earning record, whichever is higher. Reduced benefits may be received at age 62 and full benefits at full retirement age. Benefits are permanently reduced for each month of retirement prior to attaining full retirement age.

Divorced spouses may collect benefits as long as they have been divorced for at least two years and the wage earner is over age 62.

Disability Benefits

To qualify for disability benefits, workers must be under full retirement age and unable to engage in any substantial or gainful employment because of a physical or mental impairment, which has lasted, or is expected to last, for at least 12 months or is expected to result in death. Workers generally must have contributed to Social Security for five out of the last 10 years. Social Security Claims Representatives must determine a person's insured status to establish if the individual is eligible to file for disability benefits.

Automatic Statements

The Social Security Administration issues automatic statements to individuals age 25 and older who have Social Security covered wages and who are not already collecting a Social Security benefit. These statements are mailed annually, three months prior to the individual's birth date.

Social Security Estimates and Pamphlets

The amount workers or their families can receive in benefits depends on the workers' average yearly earnings under Social Security. Persons can obtain a Request for Earnings and Benefits Estimate Statement (Form SSA 7004) from the Social Security Administration by calling 1-800-772-1213 or online at www.socialsecurity.gov if they wish to determine the benefits they can receive.

Retirement Age Increase

Full retirement age is increasing from age 65 to age 67. This increase will occur over a 22-year period; it affects individuals born in 1938 and later. Full retirement age for persons born in 1960 and later is 67. Early retirement can still be collected at age 62.

Income Tax on Social Security Benefits

Social Security benefits are tax-free for most retirees, however, some benefits are subject to income tax. Single individuals are subject to the tax if their total income, including non-taxable interest plus one half their Social Security benefits, equals more than \$25,000, which is referred to as the "base amount". The base amount for couples filing a joint return is \$32,000. Taxes at the normal rates are levied on either one half the Social Security benefit or one half the difference between the base amount and the figure determined by the calculation described above, whichever is less. Contact the IRS for additional information or to ask questions.

Lump Sum Death Benefit

An insured worker that has a surviving spouse or dependent children may be entitled to a lump-sum death benefit in the amount of \$255.

If You Disagree With A Decision

Persons have the right to appeal a denial, termination or reduction of benefits, or an attempt by the Social Security Administration to recoup an alleged overpayment. See [Social Security Appeals Procedures](#) on page VI – 11 for details.

Eligibility Requirements, Service Areas and Program Year:

Eligibility Requirements:

- Individuals must work at a job where Social Security taxes are deducted from their pay.

Service Areas:

Statewide

Program Year:

January 1 – December 31

Contact Information:

For pamphlets and forms contact:

Social Security Administration:

Telephone: 800-772-1213

Website: www.socialsecurity.gov

For answers to questions regarding Social Security contact the local Social Security Administration office listed below:

District and Branch Offices in Connecticut:

Ansonia:

307 Main Street

Ansonia, CT 06401

Telephone: 203-735-6201

Danbury:

131 West Street

Danbury, CT 06810

Telephone: 203-748-3569

Bridgeport:

3885 Main Street, 3rd Floor

Bridgeport, CT 06606

Telephone: 203-365-8452

East Hartford:

478 Burnside Avenue

East Hartford, CT 06108

Telephone: 860-290-5420

Bristol:

225 North Main Street, Room 400

Bristol, CT 06010

Telephone: 860-584-2716

Hartford:
One Corporate Center
20 Church Street, Suite 900
Hartford, CT 06103
Telephone: 860-493-1857

Norwich:
Thames Plaza
101 Water Street, 3rd floor
Norwich, CT 06360
Telephone: 860-886-7118

Meriden:
One West Main Street, 4th Floor
Meriden, CT 06451
Telephone: 203-238-0346

Norwalk:
24 Belden Avenue, 5th floor
Norwalk, CT 06850
Telephone: 203-849-1911

Middletown:
425 Main Street, 3rd floor
Middletown, CT 06457
Telephone: 860-347-8562

Stamford:
2 Landmark Square, Suite 105
Stamford, CT 06901
Telephone: 203-359-0030

New Britain:
233 Main Street, 2nd Floor
New Britain, CT 06051
Telephone: 866-858-6086

Torrington:
147 Litchfield Street
Torrington, CT 06790
Telephone: 860-489-1633

New Haven:
150 Court Street, Room 325A
New Haven, CT 06510
Telephone: 203-773-5201

Waterbury:
14 Cottage Place
Federal Building, Room 255
Waterbury, CT 06702
Telephone: 203-756-7476

New London:
2 Shaw's Cove, Room 203
New London, CT 06320
Telephone: 860-443-8455

Willimantic:
54 North Street
Willimantic, CT 06226
Telephone: 860-423-6386

Related Information:

[*Social Security Appeals Procedures, refer to page VI – 11.*](#)

Social Security Appeals Procedures

Description:

Beneficiaries have the right to appeal a denial, termination or reduction of benefits that is issued by the Social Security Administration (SSA) as well as the administration's attempt to recoup an alleged overpayment.

How to Appeal Benefits:

- Within 60 days after receiving notice of a Social Security action with which a claimant disagrees, the claimant may file a written request for "reconsideration" with the SSA. This request is reviewed by SSA and a statement of SSA's decision is mailed to the claimant.
- If not satisfied with the reconsideration decision, the claimant may file a written request within 60 days for a formal hearing before an Administrative Law Judge. Following this hearing, SSA mails the claimant a written hearing decision.
- If still not satisfied with SSA's decision based upon the formal hearing, the claimant may file, within 60 days, a written request for a review by the SSA Appeals Council. (The Appeals Council may also, on its own motion, review and reverse a favorable decision by an Administrative Judge).
- If the Appeals Council refuses to review or reverse a previous favorable decision, the claimant may appeal the case to a court by filing an action in the United States District Court. The decision of the federal district court, if adverse, is subject to review under regular federal appellate procedure.

Eligibility Requirements, Service Areas and Program Year:

Eligibility Requirements:

- Must be a Social Security claimant.

Service Areas:

Statewide

Program Year:

January 1 – December 31

Contact Information:

For questions call 800-772-1213 or contact the local Social Security office listed below.

Ansonia:
307 Main Street
Ansonia, CT 06401
Telephone: 203-735-6201

Bridgeport:
3885 Main Street, 3rd Floor
Bridgeport, CT 06606
Telephone: 203-365-8452

Bristol:
225 North Main Street, Room 400
Bristol, CT 06010
Telephone: 860-584-2716

Danbury:
131 West Street
Danbury, CT 06810
Telephone: 203-748-3569

East Hartford
478 Burnside Avenue
East Hartford, CT 06108
Telephone: 860-290-5420

Hartford:
One Corporate Center
20 Church Street, Suite 900
Hartford, CT 06103
Telephone: 860-493-1857

Meriden:
One West Main Street, 4th Floor
Meriden, CT 06451
Telephone: 203-238-0346

Middletown:
425 Main Street, 3rd floor
Middletown, CT 06457
Telephone: 860-347-8562

New Britain:
100 Arch Street
New Britain, CT 06050
Telephone: 860-229-4844

New Haven:
150 Court Street, Room 325A
New Haven, CT 06510
Telephone: 203-773-5201

New London:
2 Shaw's Cove, Room 203
New London, CT 06320
Telephone: 860-443-8455

Norwich:
Thames Plaza
101 Water Street, 3rd floor
Norwich, CT 06360
Telephone: 860-886-7118

Norwalk:
24 Belden Avenue, 5th floor
Norwalk, CT 06850
Telephone: 203-849-1911

Stamford:
2 Landmark Square, Suite 105
Stamford, CT 06901
Telephone: 203-359-0030

Torrington:
147 Litchfield Street
Torrington, CT 06790
Telephone: 860-489-1633

Waterbury:
14 Cottage Place
Federal Building, Room 255
Waterbury, CT 06702
Telephone: 203-756-7476

Willimantic
54 North Street
Willimantic, CT 06226
Telephone: 860-423-6386

Related Information:

[Social Security, refer to page VI – 7.](#)

State Supplement for the Aged, Blind or Disabled

Description:

The State Supplement for the Aged, Blind or Disabled is a program administered by the Connecticut Department of Social Services (DSS). The purpose of the program is to supplement assistance provided under the Federal Supplemental Security Income (SSI) Program; however actual receipt of SSI is not required. A person receiving a low monthly Social Security benefit, private pension, veteran's benefit, or limited income from another source may still qualify for the State Supplement program.

Monthly payments are issued by check from the DSS. The amount paid is based on an individual's personal needs and actual costs up to a maximum rate established by the State for basic needs like food, clothing, personal items, utilities, and rent. Additional special needs such as telephone, special diets, or transportation may be covered.

Persons receiving State Supplement are automatically eligible for Medicaid to cover medical expenses. Individuals with private insurance must use it before using Medicaid. State Supplement recipients may also receive food stamps and energy assistance if they are determined to be eligible.

Eligibility Requirements, Service Areas and Program Year:

Eligibility Requirements:

- Individuals must be age 65 or older, blind, or disabled between the ages of 18 and 65.
- Individuals' incomes must be insufficient to meet the basic needs of daily life. DSS allows a certain amount of income to be "disregarded" (subtracted from gross income) before determining whether a person is eligible for State Supplement. The unearned income disregard is \$278 per month for individuals living in the community. The disregard is \$185.70 per month for individuals living in a licensed boarding home. The disregard is \$345.90 per month for individuals who share housing with non-relatives.
- Single persons can have no more than \$1,600 in assets; a couple's assets cannot exceed \$2,400. Assets include cash, bank accounts and cash surrender value of life insurance. In addition, persons can have up to \$1,800 in a revocable burial contract or up to \$5,400 in an irrevocable burial contract. A burial plot is defined as a gravesite, opening and closing of a gravesite, cremation urn, casket, outer burial container and a headstone or marker, including a contract to provide the aforementioned items. A gravesite may include a crypt or mausoleum. Individuals may have a burial plot and be eligible for assistance.

- The state places a lien on the recipient's home, while they are living there, for the value of the aid that is given to the recipient. The State will not collect on the liens while recipients live in their homes.

Service Areas:

Statewide

Program Year:

Income requirements are updated January 1.

Contact Information:

Contact the local DSS Regional Offices located in [Appendix H](#).

Related Information:

[Medicaid \(Title XIX\), refer to page IX – 6](#)

[Supplemental Security Income \(SSI\), refer to page VI – 15.](#)

Supplemental Security Income (SSI)

Description:

The Supplemental Security Income (SSI) program is a federal income support program that is administered by the Social Security Administration. It provides basic monthly income to persons who are blind, have disabilities or are at least 65 years of age and in need of financial assistance. Persons can receive SSI even if they never worked. Persons with extremely poor eyesight may be considered blind under SSI. Persons whose sight is not poor enough to be considered blind may be eligible to receive benefits as a person with a disability. Persons with disabilities have a physical or mental condition that keeps them from working; this condition is expected to last at least a year or result in death.

Persons may be eligible for SSI disability benefits if they have a disability that prevents them from working for at least one year or if it is expected to result in death and the person is younger than age 65. To be considered disabled by the Social Security Administration, persons' impairments must interfere with their ability to be employed. If they cannot do the work they have done in the past, Social Security will consider whether they could perform other work, taking into account their age, education, past work experience and work skills.

SSI benefits continue as long as a person is considered to have a disability. Cases may be reviewed at any time to determine the status of a person's disability. If it is possible for a person's condition to medically improve, his/her case may be reviewed frequently.

Persons must meet the program's income and asset tests. The federal government sets a basic rate for SSI assistance; states may add money to this rate to provide more help for its citizens. Consequently, SSI benefits may vary nationwide.

Eligibility Requirements, Service Areas and Program Year:

Eligibility Requirements:

- Persons "countable income" cannot exceed the current federal benefit rate; \$674 for a single person and \$1,011 for a couple. The following sources are counted as income: Social Security benefits, pensions and non-cash items a person receives such as the value of free food, clothing or shelter. Certain income is not included; namely, the first \$20 of most income an individual receives each month, the first \$65 per month individuals earn from working and one half of the amount individuals earn over \$65 per month, food stamps, shelter persons receive from private, nonprofit organizations and most home energy assistance.

- The asset limit for an individual is \$2,000 and \$3,000 for a couple. Assets which are considered for determining eligibility include: real estate other than a persons' home, personal belongings, bank accounts, cash, stocks and bonds. The following assets are not counted when determining eligibility: a person's home and the land it is on, burial plots for the individual and members of their immediate family, a person's car, generally, life insurance policies with a face value of \$1,500 or less, burial funds that do not exceed \$1,500 each for the individual and their spouse and if persons are blind or have a disability, certain assets may not count when they are used for employment.
- If persons are married, their spouse's income and assets are considered for eligibility.
- Persons may be eligible for SSI if they have an otherwise disqualifying asset that they are trying to sell.

Service Areas:

Statewide

Program Year:

January 1 – December 31

Contact Information:

For more information call 800-772-1213 or contact the local Social Security office. See [Social Security](#) on page VI – 7 for more details and a listing of offices.

Related Information:

[*Social Security Appeals Procedures, refer to page VI – 11.*](#)

Tax Information

Description:

The Department of Revenue Services (DRS) administers the tax laws of the State of Connecticut and collects the tax revenues. DRS ensures compliance with these tax laws by educating the public about tax responsibilities and by assisting individuals with filing appropriate tax returns and paying taxes. The following is a brief description of some Connecticut tax topics that may affect older adults. Also refer to Informational Publication 2008(24), *Connecticut Tax Tips for Senior Citizens*, available on the DRS website at www.ct.gov/drs.

Sales and Use Taxes

Discounts

When a senior citizen discount or other store discount is offered on a taxable item, the sales tax is applied to the discounted price. The same tax treatment applies to purchases made with coupons or electronic scan cards. The purchaser pays tax on the final price after the coupon or discount is subtracted.

While there is not a specific tax exemption for elderly individuals, the following tax exemptions may be of particular interest to older adults:

- Materials for non-commercial sewing to make clothing and yarn for non-commercial use.
- Clothing or footwear under \$50 each.
- Custom made wigs or hairpieces for persons with medically-diagnosed, total and permanent hair loss as a result of a disease or treatment of a disease.
- Diabetic supplies and equipment.
- Food purchased in grocery stores and food products sold through coin-operated vending machines.
- Landscaping, horticultural, maintenance, and window washing services performed at the residence of a person currently receiving permanent Social Security Disability benefits are tax exempt. Maintenance services to residential properties include but are not limited to: house washing, chimney sweeping, carpet cleaning, gutter cleaning, snow removal and driveway sealing.
- Meals provided by special programs that are delivered to homes of elderly persons.
- Newspapers.
- Magazines purchased by subscription.
- Non-prescription drugs for use in or on the human body such as vitamins, cold medications, food and dietary supplements.
- Prescription drugs, eyeglasses, dentures, hearing aids, batteries and inclined stairway chairlifts, including repair, replacement and enhancement parts.

- Renovation and repair services to residential properties that are owner-occupied, including plumbing, electrical, refuse removal, septic cleaning services, paving, painting or staining, wallpapering, roofing, siding and exterior sheet metal work.
- Repair services provided to crutches, walkers and wheelchairs, hearing aids, artificial devices or artificial limbs, artificial eyes and equipment used in support of vital life functions.
- Sales of goods and services, which are eligible benefits under Medicare, Medicaid, or CHAMPUS, that are made to eligible beneficiaries of these insurers. These are exempt regardless of whether payment is made to the retailer by the beneficiary or by the insurer.
- Sales of \$100 or less at gift shops in nursing and convalescent homes, residential care homes or adult day care centers if the profits are used to benefit the patients or persons using the facility
- Sales to and by licensed non-profit nursing homes, rest homes and nonprofit residential care homes if the sales are for the exclusive purposes of the institutions.
- Shoe repair services.
- Vegetable seeds suitable for planting to produce food for human consumption.

Connecticut Income Tax:

Connecticut income tax is based on federally adjusted gross income with certain modifications. For example, certain types of income can be subtracted from federal adjusted gross income in calculating Connecticut income tax. These types of income include interest from U.S. government savings bonds or treasury notes, and Tier 1 and Tier 2 railroad retirement benefits and supplemental annuities, to the extent the benefits were not already subtracted from federal adjusted gross income. Certain income (for example, interest from bonds issued by states other than Connecticut) that is exempt from federal income tax is added to federal adjusted gross income in calculating Connecticut income tax.

Taxpayers may be eligible to claim a personal exemption from the tax depending upon their income level. For the 2007 taxable year, up to \$12,750 of adjusted gross income may be exempt for single taxpayers; for married taxpayers, up to \$24,000 may be exempt if the couple files jointly and up to \$12,000 if they file separately; and, for head of households, up to \$19,000 may be exempt. Beginning with the 2008 tax year the personal exemption for single filers will be \$13,000; the personal exemption for single filers will increase each year for eight years until it reaches \$15,000 in 2012. The personal exemption decreases as a person's income increases.

A personal tax credit of up to 75 percent is available, but this credit diminishes as a person's income increases. Modifications and exemptions are explained in the instructions to the resident income tax returns, Form CT-1040 and From CT-1040EZ.

The tax rate is three percent of the first \$10,000 of Connecticut taxable income for single filers and married taxpayers filing separately, \$16,000 for heads of household or \$20,000 for married couples who file a joint return. (The tax rate is five percent of Connecticut taxable income in excess of these amounts.) A non-refundable tax credit of up to \$500 is available for 2008 to taxpayers who paid property to a Connecticut municipality on a primary residence or on a personally owned or leased motor vehicle. The amount of credit varies upon income level, the amount of property tax paid and the amount of Connecticut income tax due.

If Social Security benefits are not taxable for federal income tax purposes, they are not subject to Connecticut income tax. If such benefits are taxable for federal income tax purposes, persons are exempt from state tax on their federally taxable Social Security benefits if: 1) The person is an unmarried individual or married individual, who files separately and whose federal adjusted gross income is less than \$50,000, or 2) a married couple who files jointly or an individual who files as head of household and whose federal adjusted gross income is less than \$60,000. For anyone whose income exceeds these income levels the amount subject to Connecticut income tax is limited to 25 percent of benefits received even if greater percentage of the benefits is taxable for federal income tax purposes.

Prepayment of tax through withholding or through estimated income tax payments may be required. Estimated payments should be made if the taxpayer expects to owe \$1,000 or more of Connecticut income tax after subtracting any Connecticut income tax withholding. Taxpayers who receive distributions from a pension or annuity may request Connecticut income tax withholding by contacting their pension payer and requesting Form CT-W4P, Withholding Certificate for Pension or Annuity Payments. Retired federal employees who want Connecticut income tax withheld from their annuity should contact the United States Office of Personnel Management using either the 24-hour automated telephone system at 888-767-6738 or by calling 202-606-0500 during business hours.

Employers of household employees such as nurses and home companions are not required to be registered to withhold Connecticut income tax unless the employer and employee both agree to have Connecticut income taxes withheld. The employees, however, may be required to make estimated payments if tax is not withheld.

Real Estate Conveyance Tax

Deeds transferring property between spouses and between parent and child for no consideration are exempt from real estate conveyance tax. Deeds transferring property from a person receiving Elderly Property Tax benefits are exempt from Connecticut real estate conveyance tax but are subject to the municipal real estate conveyance tax. (Note: Transfers of property for no consideration, including to a child, may be subject to the Connecticut gift tax. Transfers between spouses are not subject to the gift tax.)

Estate Tax

Resident and non-resident estates are liable for Connecticut estate tax if the amount of the Connecticut taxable estate is more than \$2 million. A resident estate is an estate of a decedent who at the time of death was domiciled in Connecticut. A nonresident estate is an estate of a decedent who at the time of death was not domiciled in Connecticut but owned real or tangible personal property in Connecticut.

The Connecticut taxable estate is the sum of:

- The total value of the decedent's federal gross estate, less allowable deductions (other than the deduction for state death taxes paid under Section 2058 of the Internal Revenue Code); and
- The aggregate amount of Connecticut taxable gifts made by the decedent (during his or her lifetime) during all calendar years beginning on or after January 1, 2005.

Gift Tax

A Connecticut gift tax return must be filed to report all Connecticut taxable gifts made in any calendar year on or after January 1, 2005, even though Connecticut gift tax may not be due. For calendar years beginning January 1, 2005, Connecticut gift tax is payable only when the aggregate amount of all taxable gifts made by the donor (during his or her lifetime), on or after January 1, 2005, exceeds \$2 million. Once the \$2 million threshold is exceeded, Connecticut gift tax is payable on the aggregate amount of Connecticut taxable gifts, including the first \$2 million. Request Form CT-706/709, *Connecticut Estate and Gift Tax Return and Instructions*, for more information.

Succession Tax

The Connecticut succession tax has been repealed for estates of decedents dying after December 31, 2004.

Eligibility Requirements, Service Areas and Program Year:

Eligibility Requirements:

N/A

Service Areas:

Statewide

Program Year:

N/A

Contact Information:

Department of Revenue Services
25 Sigourney Street
Hartford, CT 06106
Telephone: 860-297-5962 or 800-382-9463
TDD: 860-297-4911
Fax: 860-297-4929
Email: drs@ct.gov
Website: www.ct.gov/drs

Related Information:

N/A

Temporary Family Assistance (TFA)

Description:

Jobs First Temporary Family Assistance:

The Jobs First Temporary Family Assistance Program (TFA), which is administered by the Department of Social Services (DSS), provides cash assistance to eligible families with children under the age of 18, including caregivers who provide care for dependent children. Parents and caregivers who apply for TFA must meet the program's income and asset requirements. These requirements as well as the amount of assistance that is granted vary depending upon the region in which the family resides. Non-parent caregivers' income and assets are not considered for determining eligibility when they seek TFA only for the child for whom they provide care. Generally, there is a 21-month lifetime limit for the receipt of TFA assistance and a requirement for adult recipients to participate in employment services activities. Recipients can be exempt from participating in employment services activities that are designed to help them become employed, if they care for a child under the age of one, have an incapacity that prevents employment or are age 60 or older. Grandparents and other relative caregivers who only receive TFA assistance for the child are exempt from the 21-month time limit.

TFA recipients may be eligible for medical assistance under the Husky program, specifically, Husky A, which provides medical insurance coverage for services allowed under Medicaid. Families that lose Husky eligibility due to employment may continue to receive Husky for up to one year following ineligibility regardless of their income. Childcare and transportation assistance may be available to individuals who participate in activities that may lead to employment. Priority for this assistance is given to families that are subject to the 21-month time limit.

Temporary Family Assistance Diversion Program:

The TFA Diversion Program is for TFA eligible families whose needs are short term and do not require on-going cash assistance. The Diversion Program provides cash assistance for up to three months in any 12-month period. Benefits can be used to pay for such expenses as shelter, work-related expenses and car registration, insurance or repair. Recipients cannot receive these benefits more than three times in their life. Participants of the TFA Diversion program may also be eligible for Medicaid, childcare assistance, employment services and food stamps. If participants are eligible, they may continue to receive Medicaid, childcare and food stamp assistance after the three-month program period.

Eligibility Requirements, Service Areas and Program Year:

Eligibility Requirements:

- Must be a needy family with children age 18 or younger, a related adult caring for dependent children, children living with an unrelated adult who has filed for guardianship through probate court or children living with a non-parent relative, regardless of guardianship and the non-parent relative's income.
- Must meet income requirements. Non-parent relative caregivers' income and assets are not counted in determining eligibility if assistance is only requested for the child.
- Must have no more than \$3,000 in assets. The following assets are not counted when determining eligibility: the cash surrender value of life insurance policies, pension plans that are not accessed, bonds that are valued at \$1,000 or less, automobiles with an equity value below \$9,500 and home property, however, a lien is placed on the home at the time TFA is granted.
- Must be a Connecticut resident or a legal alien residing in the state.

Service Areas:

Statewide

Program Year:

July 1 – June 30

Contact Information:

For more information or to apply for TFA contact the local DSS Regional Office listed in [Appendix H](#).

Website: www.ct.gov/dss

Related Information:

[*Earned Income Tax Credit \(EITC\), refer to page VI – 3.*](#)

[*Healthcare for Uninsured Kids and Youth \(HUSKY\), refer to page III – 10.*](#)

[*National Family Caregiver Support Program, refer to page III – 18.*](#)

Veteran's Basic/Additional Exemption Tax Relief

Description:

Municipalities offer a basic veteran's property tax exemption of \$1,000. Veterans or survivors of veterans who actively served at least 90 days during wartime and were honorably discharged may receive the basic \$1,000 property tax exemption. The Office of Policy and Management administers the Additional Veteran's Exemption Grant Program, which provides veteran's who meet certain criteria with an additional tax exemption. The amount granted for an additional exemption varies. The basic and additional exemptions must be applied for through the local Town Assessor's or Town Clerk's office. The application period is from February 1 through October 1.

Eligibility Requirements, Service Areas and Program Year:

Eligibility Requirements:

- Must be a Connecticut resident.
- Veteran or active duty serviceman must have served in a war, campaign or other operation, under honorable conditions for at least 90 days, except if the war, campaign or other operation lasted less than 90 days.
- Must file an original copy of an Honorable Discharge (DD-214 Form) in land records for the town of residence prior to October 1.
- Applications must be filed between February 1 and October 1 with the local Town Assessor's office.
- The basic exemption is determined at the municipal level and may vary by town.
- For the additional exemption, income cannot exceed \$30,500 for a single individual and \$37,500 for married couples.

Service Areas:

Statewide

Program Year:

July 1 – June 30

Contact Information:

To file an application, contact the local Town Assessor's office. Contact information can be found in the local telephone book.

For additional information contact:

Leeann Graham
Office of Policy and Management
410 Capitol Avenue
Hartford, CT 06106
Telephone: 860-418-6278
Fax: 860-418-6493
Email: leeann.graham@ct.gov
Website: www.ct.gov/opm

Related Information:

[Disabled Tax Relief Program, refer to page VI – 1.](#)
[Property Tax Relief, refer to page VI – 5.](#)