



“Connecticut has put its fiscal house in order, and to ensure the progress we have made continues, I will be proposing as part of my budget next session an extension of the financial guardrails, secured by bond covenants, to maintain our strong financial position.”

— Gov. Ned Lamont, November 10, 2022

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Connecticut

Pop. (2022): 3,605,915

Median household income (2022): \$83,781

Credit Rating: AA- / Stable

Pop. growth 2022–2027: 0.03%

Median age (2022): 41.8

Right-to-work state: No

LEGISLATIVE UPDATE

Connecticut’s FY 2023 budget adjustment bill represents the largest tax reduction in state history. The \$600 million tax cut includes an expansion of the state earned income tax credit for low-income families and a \$250 per-child tax credit for up to three children. The law also suspended Connecticut’s 25-cent-per-gallon excise tax on gasoline through the end of November. It increases the property tax credit from \$200 to \$300 and expands eligibility for it. The bill also accelerates a plan to eliminate taxes on pensions and annuities.

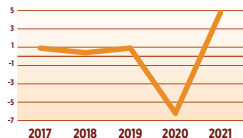
Created under the budget, the new JobsCT tax rebate program provides refundable tax credits for companies that create at least 25 jobs in targeted industries that include bioscience, technology, clean energy, digital media, insurance, finance and manufacturing. The rebate is equal to 25% of state income tax paid by the new employees, the minimum set at \$1,000 per employee with a \$5,000 per employee maximum. The rebates are available for up to seven successive years.

The bill also includes funding from the American Rescue Plan Act totaling more than \$97 million for K-12 initiatives and more than \$83 million for early childhood investments. It devotes \$50 million toward affordable housing.

GDP

23rd

GDP Growth Rate Trend



2021 GDP
(in millions of current US\$)
\$246,556



47th

Business Tax Climate Rank Change 2022–2023: 0



20th

Higher Ed. R&D Expenditure in \$000s: 1,463,045



41st

Number of NCRCs: 3,468 | Percent Improvement 2021–2022: 4.67%



10th

2022 Workers’ Comp Index Rate: 1.64



45th

Industrial power cost per kWh: \$15.77



48th

Total Revenue as Share of Total Expenses, FY 2006–2020: 95.5%