

Nancy Johnson



Fifth District, Connecticut

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Johnson Keeps Taxes Low for Connecticut Families *House Extends Middle-Class Tax Cuts, R&D Tax Credit*

WASHINGTON, D.C. – With Congresswoman Nancy Johnson’s strong support, late Thursday the U.S. House passed legislation lowering taxes for Connecticut taxpayers.

Both the House and Senate approved the bill by overwhelming bipartisan majorities Thursday. The President is expected to sign the bill into law in the coming days.

“This bill lowers taxes for every taxpayer in Connecticut,” Johnson said. “It allows taxpayers to keep more of their own money to provide for their families and save and invest for the future. We have also extended the R&D tax credit, an important catalyst for job creation and economic growth, especially for small firms. Our action means more tax relief for Connecticut families and more jobs for Connecticut workers.”

The Working Families Tax Relief Act of 2004 extends key tax cuts that would be rolled back or eliminated next year without congressional action. Among the extensions:

- **\$1,000 Child Tax Credit** – 320,000 married couples and single parents in Connecticut benefit from the increased child tax credit, and will continue to do so until 2010. Over 100,000 parents in the 5th District receive the higher tax credit.
- **Low 10 Percent Bracket** – 1.4 million Connecticut taxpayers benefit from lower taxes because of the new 10 percent bracket, and they will continue to do so until 2010.
- **Marriage Penalty Relief** – More than 455,000 married couples in Connecticut benefit from marriage tax penalty relief. Today’s action extends that relief until 2010.
- **AMT Protection** – Connecticut families with taxable income below \$58,000 (\$40,250 for individuals) will continue to be exempted from the Alternative Minimum Tax.
- **R&D Tax Credit** – Job creators in Connecticut will benefit from an 18-month extension of the research and development tax credit. Johnson is a leader in Congress in making the credit permanent to foster economic growth and job creation.

If Congress had not acted, Connecticut families would have been hit with a tax hike next year and there would be fewer incentives for job creation in Connecticut, Johnson said.

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