

Chairman Abney and members of the House Finance Committee:

I am writing to you in favor of eliminating the state income tax on Social Security immediately. I am an 82 year old widow of a Korean War veteran. I was reluctant to move here from Texas because of the taxation issue. (Texas has no income tax.) And then I found that not just my income is taxable here but, also, my social security!

- RI is one of only 8 states taxing Social Security

- It is our money; we worked hard, saved and anticipated getting it some of it back via Social Security

Please note below the huge impact on singles with modest incomes and the insignificant amount on those with higher incomes.

Impact of Rhode Island State Social Security Tax Singles

Single person	Pension/401(k) Income	Social Security income	Taxable Income		Tax Payable		Taxpayer Penalty	% Change
			Without SS	With SS	Without SS	With SS		
65-67	\$60,000	\$30,000	\$43,400	\$73,400	\$1,628	\$2,753	\$1,125	69%
>67	\$60,000	\$30,000	\$23,400	NA	NA	\$878	\$0	0%
>67	\$75,000	\$30,000	\$38,400	\$88,400	\$1,440	\$3,422	\$1,982	137%
>67	\$300,000	\$30,000	\$300,000	\$330,000	\$15,000	\$16,800	\$1,800	12%

The penalty on couples is also profound.

I urge your passage of this bill.

Respectfully,

Ms. Gerry Barnett

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