



General Assembly

Proposed Bill No. 5088

February Session, 2026

LCO No. 692



* 0 0 6 9 2 *

Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
REP. CARNEY, 23rd Dist.

AN ACT CONCERNING THE ASSET REQUIREMENT FOR MUTUAL FUNDS TO BE QUALIFIED TO PAY EXEMPT-INTEREST DIVIDENDS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 That chapter 229 of the general statutes be amended to eliminate the
2 requirement that at least fifty per cent of the assets of a mutual fund
3 consist of state and municipal government obligations for the fund to be
4 qualified to pay exempt dividends, for purposes of the personal income
5 tax.

Statement of Purpose:

To eliminate the requirement that at least fifty per cent of the assets of a mutual fund consist of state and municipal government obligations for the fund to be qualified to pay exempt dividends, for purposes of the personal income tax.