



General Assembly

February Session, 2026

Proposed Bill No. 5088

LCO No. 692



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.