

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 54<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB1246</b>
<b>Version:</b>	<b>Engrossed</b>
<b>Request Number:</b>	<b>NA</b>
<b>Author:</b>	<b>Rep. Leslie Osborn</b>
<b>Date:</b>	<b>4/8/2014</b>
<b>Impact:</b>	<b>Not Required</b>

**Research Analysis**

Engrossed SB1246 proposes to reduce to the top marginal individual income tax rate to 5 percent or 4.85 percent by establishing revenue triggers contingent on certain revenue growth. To implement the 5 percent tax rate, If the total General Revenue Fund proposed estimate for FY2016 is greater than the total General Revenue Fund proposed estimate for FY2014, then the rate would reduce to 5 percent for tax year 2016. If the tax cut is not implemented, then the State Board of Equalization must repeat these procedures for subsequent tax years until the trigger is met. Following the implementation of the 5 percent tax rate, there is second trigger to reduce the income tax rate to 4.85 percent.

Prepared By: Quyen Do

**Fiscal Analysis**

Not required.

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**Other Considerations**

None.