

Bill Summary
2nd Session of the 59th Legislature

Bill No.:	HB 1200
Version:	CS2
Request No.:	2049
Author:	Sen. Rader
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Bill Analysis

HB 1200 establishes new income tax brackets. The measure provides that individual filers shall pay 0% on the first \$3,750.00 of income, 2.75% on the next \$1,150.00 of income, 3.75% tax on the next \$2,300.00 of income, and 4.7% on the remainder. Joint filers shall pay the same rates on \$7,500.00, \$2,300.00, and \$4,600.00 respectively. No deduction for federal income taxes paid shall be allowed to any taxpayer to arrive at taxable income. The marginal rates shall be decreased by 0.25% if the difference between all tax collections of the state exceeds \$400 million in growth. This decrease shall continue until the rate is reduced to 0% by each increase of \$400 million. If the federal government reduces the federal medical assistance percentage (FMAP) rate for Medicaid expansion below 90% for enrollees, there shall be no reductions made to the income tax rates.

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