
BILL/VERSION:	SB 1302 / Introduced	ANALYST: MK
AUTHORS:	Senator Kirt	DATE: 12/29/2025
TAX(ES):	Income Tax	
SUBJECT(S):	Individual Income Rate Reduction Trigger	
EFFECTIVE DATE:	November 1, 2026	Emergency <input checked="" type="checkbox"/>

ESTIMATED REVENUE IMPACT:
FY27: None
FY28: None

ANALYSIS: The Introduced Version of SB 1302 proposes to amend 62 O.S. § 34.103¹ by eliminating the income tax rate reduction trigger based on total collections. Under current law, this trigger could potentially reduce individual income tax rates by 0.25% across all brackets beginning with tax year 2028. The elimination of the trigger has no effect on income tax collections since the earliest tax year that a rate reduction could be triggered is tax year 2028.²

¹ 68 O.S. § 2355 is also amended to remove language related to the trigger mechanism in 62 O.S. § 34.103.

² In the December 2026 meeting, the State Board of Equalization (BOE) is required to make a preliminary certification and report of the base year total collections, the income tax rate reduction threshold and comparison year total collections. If the comparison year total collections amount is greater than the sum of the base year total collections and the income tax reduction cost threshold, an income tax rate reduction of 0.25% across all brackets would be triggered for the tax year starting January 1, 2028, following the final February 2027 certification by the BOE that the income tax rate reduction is authorized. This process is repeated every December and February until the individual income tax rate is zero.

1/4/2026

DATE

Huan Gong

DR. HUAN GONG, CHIEF TAX ECONOMIST

1/16/26

DATE



MARIE SCHUBLE, DIVISION DIRECTOR

1/16/26

DATE

Joseph P. Gappa

JOSEPH P. GAPPY, FOR THE COMMISSION