

BILL SUMMARY
1st Session of the 59th Legislature

Bill No.:	HB1040X
Version:	FULLPCS1
Request Number:	50091
Author:	Rep. Wallace/Rep. Martinez
Date:	5/23/2023
Impact:	See analysis below

Research Analysis

The proposed committee substitute for HB1040X modifies the income amount subject to the 3.75 percent personal income tax bracket for joint filers from \$2400 to \$4600. The bill would fix what is commonly referred to as the income tax marriage penalty.

Prepared By: Quyen Do

Fiscal Analysis

In its current form, HB1040X proposes to adjust the income levels in the top two income tax rate brackets for tax returns with a filing status of married filing joint, head of household, or surviving spouse. The Oklahoma Tax Commission (OTC) estimates the total impact of this bill to be Twenty Million Six Hundred Thousand Dollars (\$20,600,000.00). Because the effective date of this measure is January 1, 2024, the impact of this bill will not be realized until tax year 2024 tax returns are filed.

Prepared By: Zachary Penrod, House Fiscal Staff

Other Considerations

None.