

**BILL SUMMARY**  
1<sup>st</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB2285</b>
<b>Version:</b>	<b>SUBPCS1</b>
<b>Request Number:</b>	<b>7289</b>
<b>Author:</b>	<b>Rep. Lepak</b>
<b>Date:</b>	<b>2/17/2023</b>
<b>Impact:</b>	<b>Please see previous summary of this measure</b>

**Research Analysis**

The first proposed subcommittee substitute for HB2285 replaces the graduated personal income tax (PIT) rate structure with a flat 4.50 percent rate effective tax year 2024 and establishes revenue triggers that would reduce the PIT rate by .25 percent each year that certain revenue conditions are met. Beginning with the February 2024 State Board of Equalization meeting and every February meeting thereafter, the board must compare the General Revenue Fund (GRF) collections for the upcoming fiscal year to a base year GRF collection amount and find that the total collections have increased by more 1.5 percent to trigger a rate reduction. When the 8th rate reduction is authorized and the PIT rate is 2.75 percent, no further reductions will be allowed.

The measure also increases the standard deduction to the following effective tax year 2024:

- Single or married filing separately, increase from \$6,350 to \$10,350;
- Head of household, increase from \$9,350 to \$10,350;
- Married filing jointly & qualifying widower, increase from \$12,700 to \$20,700.

Prepared By: Quyen Do

**Fiscal Analysis**

The measure is currently under review and impact information will be completed.

Prepared By: House Fiscal Staff

**Other Considerations**

None.