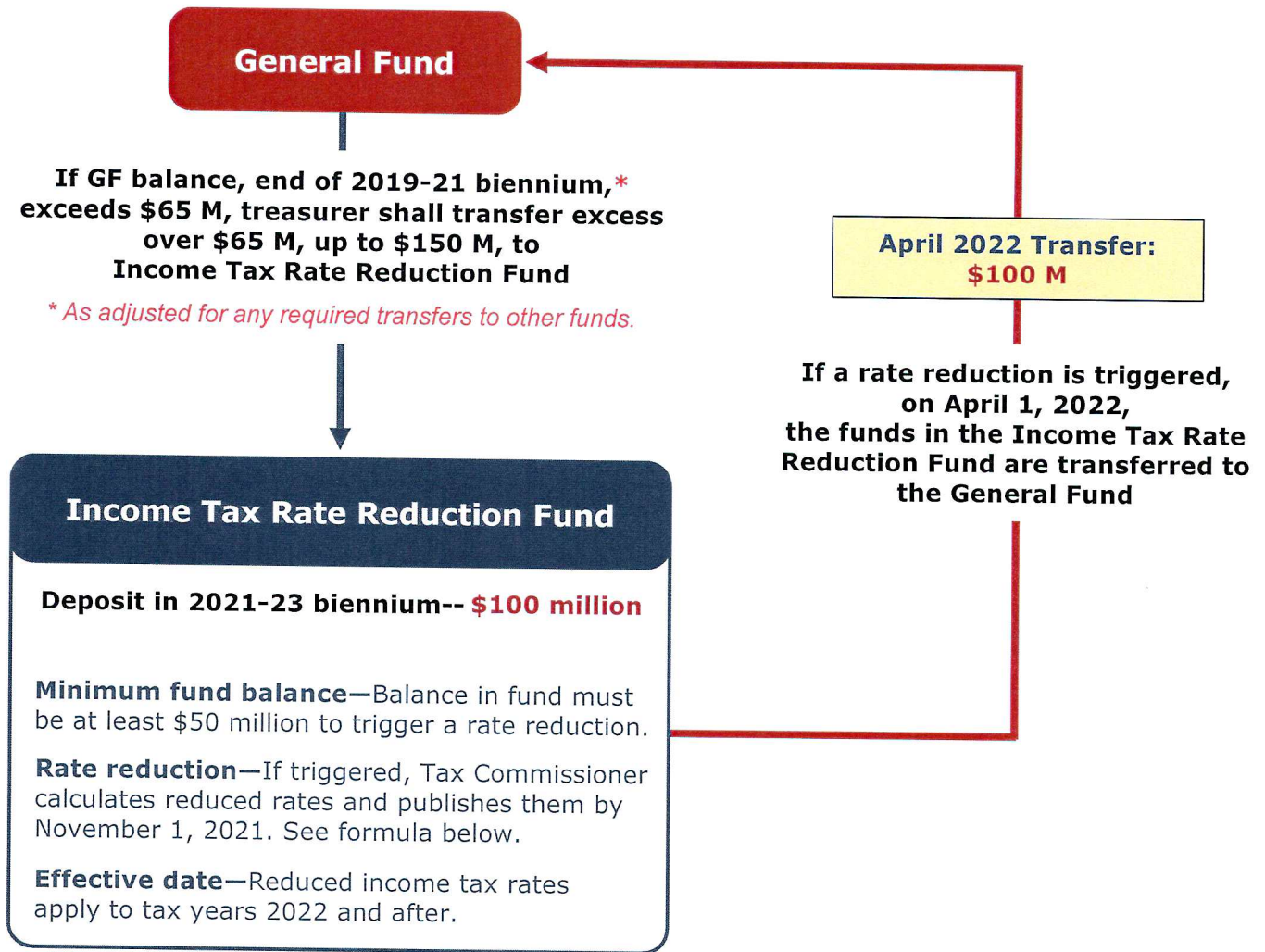


Engrossed SB 2139

First Engrossment w/House Amendments

Rate Reduction Process under Proposed Amendments in Conference

2021-23 Biennium



Rate Reduction Calculation

$$\text{Rate reduction \%} = \frac{\text{Funds in Rate Reduction Fund}}{\text{Forecasted income tax collections for 2021-23 biennium}} = \frac{\$100 \text{ Million}}{\$1 \text{ Billion}} = 10\%$$

Individual income tax rates

Current		New
1.10 %	$\times (1.00 - .10)$	0.99 %
2.04	$\times (1.00 - .10)$	1.84
2.27	$\times (1.00 - .10)$	2.04
2.64	$\times (1.00 - .10)$	2.38
2.90	$\times (1.00 - .10)$	2.61

Corporate income tax rates

Current		New
1.41 %	$\times (1.00 - .10)$	1.27 %
3.55	$\times (1.00 - .10)$	3.20
4.31	$\times (1.00 - .10)$	3.88

