



Package Price	Option A	Option B	Option C	Option D	Option E	Option F
Mill Buy Down	\$175 Million	\$204 Million	\$175 Million	\$175 Million	\$175 Million	\$204 Million
Homestead Tax	\$80 Million	\$80 Million	\$80 Million	\$80 Million	\$80 Million	\$80 Million
Income Tax	\$350 Million	\$342 Million	\$383 Million	\$375 Million	\$345 Million	\$306 Million

## Individual Income Tax Plan Comparisons

### Fiscal Note Projection (without 2021 HB 1515)

Bracket Overview				
Bracket Level	Tax Rate	Single	Married Joint	Number of Returns
1	1.10%	\$44,725	\$74,750	558,394
2	2.04%	\$108,325	\$180,500	248,824
3	2.27%	\$225,975	\$275,100	52,901
4	2.64%	\$491,350	\$491,350	27,090
5	2.90%			28,907
<b>Total</b>				<b>916,116</b>

Option A			
\$700 and \$1400 Tax Relief Credit			
Bracket Level	Taxpayer Savings	% Savings	Savings / Return
1	\$96,649,737	27.6%	\$173
2	\$189,542,349	54.1%	\$762
3	\$37,061,709	10.6%	\$701
4	\$16,677,707	4.8%	\$616
5	\$10,181,483	2.9%	\$352
<b>Total</b>	<b>\$350,112,985</b>	<b>100.0%</b>	<b>\$382</b>

Option D			
0% First Bracket - 2.15% Flat Rate (No Credits)			
Bracket Level	Taxpayer Savings	% Savings	Savings / Return
1	\$104,234,938	27.8%	\$187
2	\$131,765,228	35.2%	\$530
3	\$23,663,058	6.3%	\$447
4	\$18,115,448	4.8%	\$669
5	\$96,684,926	25.8%	\$3,345
<b>Total</b>	<b>\$374,463,598</b>	<b>100.0%</b>	<b>\$409</b>

Option B			
1.99% Flat Tax Rate with \$700 and \$1400 Credit			
Bracket Level	Taxpayer Savings	% Savings	Savings / Return
1	\$85,167,484	24.9%	\$153
2	\$97,893,341	28.6%	\$393
3	\$21,802,249	6.4%	\$412
4	\$20,534,644	6.0%	\$758
5	\$116,524,631	34.1%	\$4,031
<b>Total</b>	<b>\$341,922,349</b>	<b>100.0%</b>	<b>\$373</b>

Option E			
0% First Bracket - 2.25% Flat Rate (No Credits)			
Bracket Level	Taxpayer Savings	% Savings	Savings / Return
1	\$104,234,938	30.3%	\$187
2	\$125,180,938	36.3%	\$503
3	\$19,002,688	5.5%	\$359
4	\$13,801,653	4.0%	\$509
5	\$82,291,974	23.9%	\$2,847
<b>Total</b>	<b>\$344,512,191</b>	<b>100.0%</b>	<b>\$376</b>

Option C			
1.99% Flat Tax Rate with \$800 and \$1600 Credit			
Bracket Level	Taxpayer Savings	% Savings	Savings / Return
1	\$88,549,108	23.1%	\$159
2	\$126,702,964	33.1%	\$509
3	\$27,090,565	7.1%	\$512
4	\$22,888,798	6.0%	\$845
5	\$117,946,923	30.8%	\$4,080
<b>Total</b>	<b>\$383,178,358</b>	<b>100.0%</b>	<b>\$418</b>

Option F			
30% Rate Reduction (No Credits)			
Bracket Level	Taxpayer Savings	% Savings	Savings / Return
1	\$31,407,291	10.3%	\$56
2	\$82,075,262	26.8%	\$330
3	\$37,059,140	12.1%	\$701
4	\$33,086,213	10.8%	\$1,221
5	\$122,199,802	40.0%	\$4,227
<b>Total</b>	<b>\$305,827,708</b>	<b>100.0%</b>	<b>\$334</b>

## Individual Income Tax Plan Comparisons

### Fiscal Note Projection (with 2021 HB 1515)

Bracket Overview				
Bracket Level	Tax Rate	Single	Married Joint	Number of Returns
1	1.10%	\$44,725	\$74,750	558,394
2	2.04%	\$108,325	\$180,500	248,824
3	2.27%	\$225,975	\$275,100	52,901
4	2.64%	\$491,350	\$491,350	27,090
5	2.90%			28,907
<b>Total</b>				<b>916,116</b>

Option A			
\$700 and \$1400 Tax Relief Credit			
Bracket Level	Taxpayer Savings	% Savings	Savings / Return
1	\$5,612,771	4.5%	\$10
2	\$85,910,244	69.6%	\$345
3	\$18,469,835	15.0%	\$349
4	\$8,320,882	6.7%	\$307
5	\$5,088,660	4.1%	\$176
<b>Total</b>	<b>\$123,402,392</b>	<b>100.0%</b>	<b>\$135</b>

Option D			
0% First Bracket - 2.15% Flat Rate (No Credits)			
Bracket Level	Taxpayer Savings	% Savings	Savings / Return
1	\$13,197,972	8.9%	\$24
2	\$28,133,123	19.0%	\$113
3	\$5,071,184	3.4%	\$96
4	\$9,758,623	6.6%	\$360
5	\$91,592,103	62.0%	\$3,169
<b>Total</b>	<b>\$147,753,005</b>	<b>100.0%</b>	<b>\$161</b>

Option B			
1.99% Flat Tax Rate with \$700 and \$1400 Credit			
Bracket Level	Taxpayer Savings	% Savings	Savings / Return
1	-\$5,869,482	-5.1%	-\$11
2	-\$5,738,764	-5.0%	-\$23
3	\$3,210,375	2.8%	\$61
4	\$12,177,819	10.6%	\$450
5	\$111,431,808	96.7%	\$3,855
<b>Total</b>	<b>\$115,211,756</b>	<b>100.0%</b>	<b>\$126</b>

Option E			
0% First Bracket - 2.25% Flat Rate (No New Credits)			
Bracket Level	Taxpayer Savings	% Savings	Savings / Return
1	\$13,197,972	11.2%	\$24
2	\$21,548,833	18.3%	\$84
3	\$410,814	0.3%	\$8
4	\$5,444,828	4.6%	\$201
5	\$77,199,151	65.5%	\$2,671
<b>Total</b>	<b>\$117,801,598</b>	<b>100.0%</b>	<b>\$129</b>

Option C			
1.99% Flat Tax Rate with \$800 and \$1600 Credit			
Bracket Level	Taxpayer Savings	% Savings	Savings / Return
1	-\$2,487,858	-1.6%	-\$4
2	\$23,070,859	14.7%	\$93
3	\$8,498,691	5.4%	\$161
4	\$14,531,973	9.3%	\$536
5	\$112,854,100	72.1%	\$3,904
<b>Total</b>	<b>\$156,467,765</b>	<b>100.0%</b>	<b>\$171</b>

Option F			
30% Rate Reduction (No Credits)			
Bracket Level	Taxpayer Savings	% Savings	Savings / Return
1	-\$59,629,675	-75.4%	-\$107
2	-\$21,556,843	-27.2%	-\$87
3	\$18,467,266	23.3%	\$349
4	\$24,729,388	31.3%	\$913
5	\$117,106,979	148.0%	\$4,051
<b>Total</b>	<b>\$79,117,115</b>	<b>100.0%</b>	<b>\$86</b>



## Individual Income Tax Plan Scenarios

(As requested by Senate Finance and Tax Committee –  
Used in conjunction with mill buydown and homestead tax credit expansion)

<b>Option A</b> <b>\$350 Million</b>	<ul style="list-style-type: none"><li>• <b>\$700 and \$1,400</b> Income tax credit (ITC)</li><li>• Same principle as 2021 Special Session HB 1515</li><li>• Sunsets after tax years 2023 and 2024</li><li>• Only resident filers are eligible to receive the ITC</li></ul>
<b>Option B</b> <b>\$342 Million</b>	<ul style="list-style-type: none"><li>• <b>1.99%</b> Flat tax rate – Across all brackets (1 through 5)</li><li>• <b>\$700 and \$1,400</b> Income tax credit</li><li>• Only resident filers are eligible to receive the ITC</li></ul>
<b>Option C</b> <b>\$383 Million</b>	<ul style="list-style-type: none"><li>• <b>1.99%</b> Flat tax rate – Across all brackets (1 through 5)</li><li>• <b>\$700 and \$1,400</b> Income tax credit</li><li>• Only resident filers are eligible to receive the ITC</li></ul>
<b>Option D</b> <b>\$375 Million</b>	<ul style="list-style-type: none"><li>• First bracket is <b>0%</b></li><li>• <b>2.15%</b> Flat tax for remaining tax brackets (2 through 5)</li><li>• No Income tax credit</li></ul>
<b>Option E</b> <b>\$345 Million</b>	<ul style="list-style-type: none"><li>• First bracket is <b>0%</b></li><li>• <b>2.25%</b> Flat tax for remaining tax brackets (2 through 5)</li><li>• No income tax credit</li></ul>
<b>Option F</b> <b>\$306 Million</b>	<ul style="list-style-type: none"><li>• <b>30%</b> Rate reduction across all brackets (1 through 5)</li><li>• No income tax credit</li></ul>

3/19/2023

# School Mill Buydown and Homestead Tax Credit Bill Proposals

(Used in conjunction with individual income tax plan scenarios)

## SB 2136 Relating to Homestead Credit

- The current income bracket formula is eliminated - applicants with less than \$100,000 in income qualify.
- Eliminates \$500,000 asset limit.
- By February first of a current taxable year, the person is eligible for the full exemption.
- After February first of a current taxable year and no later than November fifth, the person is eligible to receive a pro-rated portion of the exemption - changes local authority's ability to prorate exemptions from discretionary to required.
- Maximum reduction increases from \$5,000 to \$9,000 of taxable value.
  - Note: A \$200,000 home is equal to \$9,000 in taxable value.

## SB 2066 School Mill Buy-Down

- Lowers the school mill levy portion paid by property owners.
- Includes a state funded portion.
- Covers commercial, residential, agricultural, and centrally assessed properties.
- Residential Taxpayer Impact:
  - \$300,000 home x 50% = \$150,000 x 9% = 13,500 taxable value x **30 mills** = an estimated **\$405 reduction** on their tax statement.
  - \$300,000 home x 50% = \$150,000 x 9% = 13,500 x **20 mills** = an estimated **\$270 reduction** on their tax statement.
  - \$300,000 home x 50% = \$150,000 x 9% = 13,500 x **17 mills** = an estimated **\$230 reduction** on their tax statement.
  
  - \$250,000 home x 50% = \$125,000 x 9% = 11,250 taxable value x **30 mills** = an estimated **\$338 reduction** on their tax statement.
  - \$250,000 home x 50% = \$125,000 x 9% = 11,250 x **20 mills** = an estimated **\$226 reduction** on their tax statement.
  - \$250,000 home x 50% = \$125,000 x .9% = 11,250 x **17 mills**= an estimated **\$191 reduction** on their tax statement.

3/19/2023