

SENATE BILL NO. 376

Introduced: 02/07/83

Referred to Committee on Taxation: 02/07/83

Hearing: 2/16/83

Report: 02/22/83, Do Not Pass. Report Adopted.

Bill Killed.

1 *Senate* BILL NO. 316
 2 INTRODUCED BY Eck
 3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE TAX
 5 BRACKETS FOR INDIVIDUAL INCOME TAX; AMENDING SECTION
 6 15-30-103, MCA."
 7
 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 9 Section 1. Section 15-30-103, MCA, is amended to read:
 10 "15-30-103. Rate of tax. (1) There shall be levied,
 11 collected, and paid for each taxable year commencing on or
 12 after December 31, 1968, upon the taxable income of every
 13 taxpayer subject to this tax, after making allowance for
 14 exemptions and deductions as hereinafter provided, a tax on
 15 the following brackets of taxable income as adjusted under
 16 subsection (2) at the following rates:
 17 (a) on the first \$1,000 of taxable income or any part
 18 thereof, 2%;
 19 (b) on the next \$1,000 of taxable income or any part
 20 thereof, 3%;
 21 (c) on the next \$2,000 of taxable income or any part
 22 thereof, 4%;
 23 (d) on the next \$2,000 of taxable income or any part
 24 thereof, 5%;
 25 (e) on the next \$2,000 of taxable income or any part

1 thereof, 6%;
 2 (f) on the next \$2,000 of taxable income or any part
 3 thereof, 7%;
 4 (g) on the next \$4,000 of taxable income or any part
 5 thereof, 8%;
 6 (h) on the next ~~\$6,000~~ \$4,000 of taxable income or any
 7 part thereof, 9%;
 8 (i) on the next ~~\$15,000~~ \$4,000 of taxable income or
 9 any part thereof, 10%;
 10 ~~(j) on the next \$4,000 of taxable income or any part~~
 11 ~~thereof, 11%;~~
 12 ~~(k) on the next \$4,000 of taxable income or any part~~
 13 ~~thereof, 12%;~~
 14 ~~(l) on the next \$4,000 of taxable income or any part~~
 15 ~~thereof, 13%;~~
 16 ~~(m) on the next \$4,000 of taxable income or any part~~
 17 ~~thereof, 14%;~~
 18 ~~(n) on the next \$4,000 of taxable income or any part~~
 19 ~~thereof, 15%;~~
 20 ~~(o) on the next \$4,000 of taxable income or any part~~
 21 ~~thereof, 16%;~~
 22 ~~(p) on the next \$4,000 of taxable income or any part~~
 23 ~~thereof, 17%;~~
 24 ~~(q) on the next \$4,000 of taxable income or any part~~
 25 ~~thereof, 18%;~~

1 ~~(r) on the next \$4,000 of taxable income or any part~~
 2 ~~thereof, 19%;~~
 3 ~~(s) on the next \$4,000 of taxable income or any part~~
 4 ~~thereof, 20%;~~
 5 ~~(t) on the next \$4,000 of taxable income or any part~~
 6 ~~thereof, 21%;~~
 7 ~~(u) on the next \$4,000 of taxable income or any part~~
 8 ~~thereof, 22%;~~
 9 ~~(v) on the next \$4,000 of taxable income or any part~~
 10 ~~thereof, 23%;~~
 11 ~~(w) on the next \$4,000 of taxable income or any part~~
 12 ~~thereof, 24%;~~
 13 ~~(j)(x) on any taxable income in excess of \$35,000~~
 14 ~~\$78,000 or any part thereof, 25%.~~
 15 (2) By November 1 of each year, the department shall
 16 multiply the bracket amount contained in subsection (1) by
 17 the inflation factor for that taxable year and round the
 18 cumulative brackets to the nearest \$100. The resulting
 19 adjusted brackets are effective for that taxable year and
 20 shall be used as the basis for imposition of the tax in
 21 subsection (1) of this section."

-End-

STATE OF MONTANA

REQUEST NO. 356-83

FISCAL NOTE

Form BD-15

In compliance with a written request received February 9, , 19 83 , there is hereby submitted a Fiscal Note for Senate Bill 376 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

Senate Bill 376 revises the tax brackets for individual income tax.

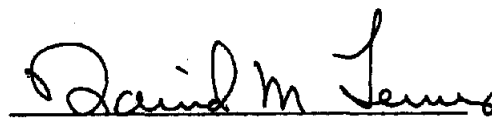
ASSUMPTIONS:

- 1) The OBPP projections of income tax receipts for the 84-85 biennium are the basis for comparison.
- 2) Adoption of the proposed law would result in a 5.189% increase in individual income tax collections.

FISCAL IMPACT:

	<u>FY84</u>	<u>FY85</u>
Individual Income Tax Collections		
Under Current Law	166.427M	175.459M
Under Proposed Law	<u>175.063M</u>	<u>184.564M</u>
Estimated Increase	<u>8.636M</u>	<u>9.105M</u>
General Fund		
Under Current Law	106.513M	112.294M
Under Proposed Law	<u>112.040M</u>	<u>118.121M</u>
Estimated Increase	<u>5.527M</u>	<u>5.827M</u>
School Foundation Program		
Under Current Law	41.607M	43.865M
Under Proposed Law	<u>43.766M</u>	<u>46.141M</u>
Estimated Increase	<u>2.159M</u>	<u>2.276M</u>
Sinking Fund		
Under Current Law	18.307M	19.300M
Under Proposed Law	<u>19.257M</u>	<u>20.302M</u>
Estimated Increase	<u>0.950M</u>	<u>1.002M</u>

FISCAL NOTE 13:C/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-14-83