

HB 2587 -- PERSONAL INCOME TAX TRIGGERS

SPONSOR: Lavender

Currently, a reduction in the rate of personal income tax may be reduced over a period of years. Each reduction in the top rate of tax shall be by 1/10 of a percent. No more than one such reduction can occur in a calender year, and no more than three total reductions can be made. These reductions can be made only if the following triggers occur:

(1) The amount of net general revenue collected in the previous fiscal year exceeds the highest amount of net general revenue collected in any of the three fiscal years prior by at least \$200 million; and

(2) The amount of net general revenue collected in the previous fiscal year exceeds the amount of net general revenue collected in the fiscal year five years prior, adjusted annually for inflation.

This bill repeals both the future reductions and trigger mechanisms.