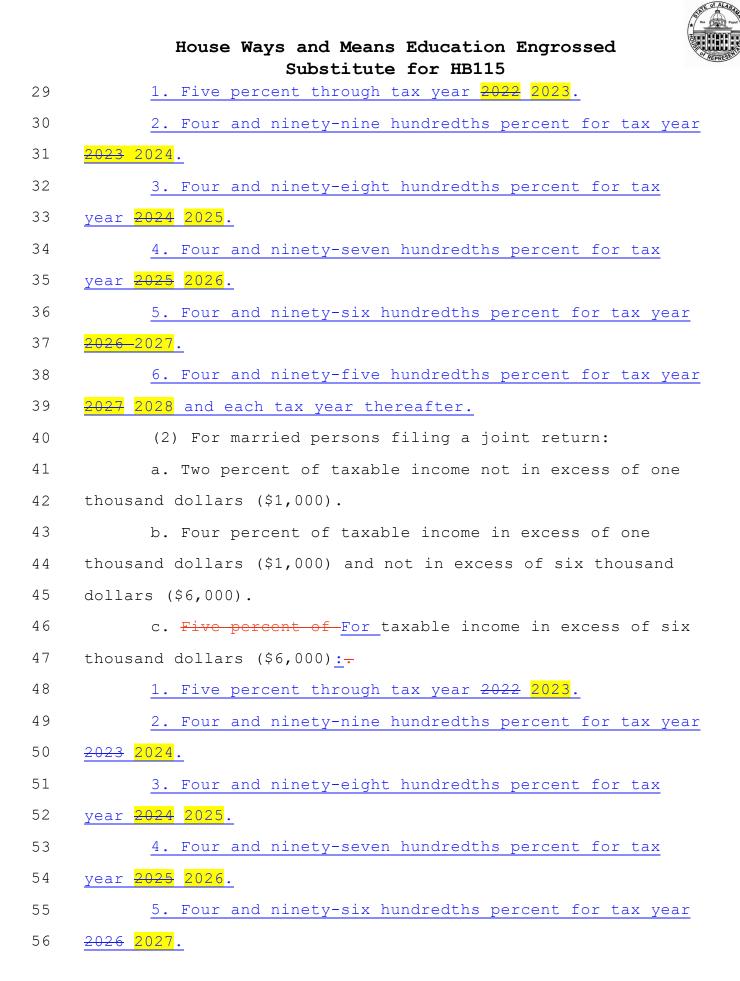
	1GCCZL-1 03/09/2023 SS (L) SS 2023-871 House Ways and Means Education Engrossed
-	Substitute for HB115
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6	A BILL
7	TO BE ENTITLED
8	AN ACT
9	
10	Relating to individual income taxes; to amend Section
11	40-18-5, Code of Alabama 1975, to phase-in a reduction in the
12	top tax rate from five percent to four and ninety-five
13	hundredths percent.
14	BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
15	Section 1. Section 40-18-5, Code of Alabama 1975, is
16	amended to read as follows:
17	"\$40-18-5
18	The tax levied and imposed by Section 40-18-2 shall be
19	computed as follows:
20	(1) For a single person, head of family, or married
21	persons filing separate returns:
22	a. Two percent of taxable income not in excess of five
23	hundred dollars (\$500).
24	b. Four percent of taxable income in excess of five
25	hundred dollars (\$500) and not in excess of three thousand
26	dollars (\$3,000).
27	c. Five percent of <u>For</u>taxable income in excess of
28	three thousand dollars (\$3,000):-





House Ways and Means Education Engrossed Substitute for HB115

- 57 6. Four and ninety-five hundredths percent for tax year
- 58 2027 2028 and each tax year thereafter.
- 59 Section 2. This act shall become effective on the first
- 60 day of the third month following its passage and approval by
- 61 the Governor, or its otherwise becoming law.