



FISCAL NOTE

House Bill 115

Committee: Ways and Means Education

Sponsor: Representative Danny Garrett

Analyst: JT Mathis

Date: 04/05/2023

House Bill 115 as reported by the Committee on Ways and Means Education would reduce the current 5% income tax rate on taxable income in excess of \$3,000 for taxpayers that are married filing separately, head of family, or single; and \$6,000 for taxpayers that are married filing jointly, to 4.95% in tax year 2028 by incrementally decreasing the tax rate .01% each year over a 5-year period, beginning in tax year 2024.

According to the Department of Revenue, this bill would decrease receipts to the Education Trust Fund by the following estimated amount for the following fiscal years:

Fiscal Year	Estimated Loss to ETF (\$)
2024	6.4 million
2025	15.9 million
2026	26.4 million
2027	38.5 million
2028	51.7 million
2029 and each year thereafter	57.3 million