

Department of Finance and Administration

Legislative Impact Statement

Bill: SB522

Bill Subtitle: TO REDUCE ALL INDIVIDUAL INCOME TAX RATES TO ZERO PERCENT (0%).

Basic Change :

Sponsor: Sen. T. Garner

SB522 amends the income tax tables contained in § 26-51-201 for individuals, trusts, and estates to reduce all tax rates to zero percent (0%).

SB522 is effective for tax years beginning on or after January 1, 2022.

Revenue Impact :

FY2022 - \$1.5 billion reduction in State General Revenue

FY2023 - \$3 billion reduction in State General Revenue

[Revenue Impact is gathered from net tax amounts reported on 2019 returns.]

Taxpayer Impact :

Residents, individuals, trusts, and estates income tax rates would be reduced to zero percent (0%).

Resources Required :

None.

Time Required :

Adequate time is provided for implementation.

Procedural Changes :

Department employees will need to be educated as well as the tax community.

Other Comments :

None.

Legal Analysis :

None.