

## HB 2830 STAFF MEASURE SUMMARY

### House Committee On Revenue

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**Action Date:** 06/05/17

**Action:** Without recommendation as to passage and be referred to Tax Reform.

**Vote:** 5-3-1-0

**Yeas:** 5 - Barnhart, Hernandez, Marsh, Nosse, Smith Warner

**Nays:** 3 - Bentz, Buehler, Johnson

**Exc:** 1 - Smith G

**Fiscal:** Fiscal impact issued

**Revenue:** Revenue impact issued

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#### WHAT THE MEASURE DOES:

Increases the corporation excise tax rates from 6.6% and 7.6% to 7% and 8%, respectively. Applies to tax years 2017 and later.

#### ISSUES DISCUSSED:

- Revenue impact of increasing the corporation tax rate
- Reason to move the bill to the Joint Committee on Tax Reform

#### EFFECT OF AMENDMENT:

No amendment.

#### BACKGROUND:

From 1987 to 2008 corporations were taxed at a flat rate of 6.6%. Since 2009, corporations have been subject to a two bracket rate structure. For 2009 and 2010, the top rate was 7.9% for income above \$250,000. For 2011 and 2012, the top rate was reduced to 7.6%. Since 2013, the top rate of 7.6% has applied to income above \$1 million.