

INDIVIDUAL INCOME TAX - BRACKET

ADJUSTMENTS

2000 GENERAL SESSION

STATE OF UTAH

Sponsor: Howard C. Nielson

AN ACT RELATING TO THE INDIVIDUAL INCOME TAX ACT; REPEALING OBSOLETE LANGUAGE; REQUIRING THE STATE TAX COMMISSION TO MAKE CERTAIN ADJUSTMENTS TO THE INDIVIDUAL INCOME TAX BRACKETS AND AMOUNTS OF TAX; AND MAKING TECHNICAL CHANGES.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

59-10-104, as last amended by Chapter 333, Laws of Utah 1996

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **59-10-104** is amended to read:

59-10-104. Tax basis -- Rates.

~~[(1) For taxable years beginning on or after January 1, 1996, but beginning before January 1, 1997, a tax is imposed on the state taxable income, as defined in Section 59-10-112, of every resident individual as follows:]~~

~~[(a) For an individual, other than a husband and wife or head of household required to use the tax table under Subsection (1)(b), the tax under this section is imposed in accordance with the following table:]~~

~~[If the state taxable income is: _____ The tax is:]~~

~~[Less than or equal to \$750 _____ 2.55% of the state taxable income]~~

~~[Greater than \$750 but less than or equal _____ \$19, plus 3.5% of state taxable income
_____ to \$1,500 _____ greater than \$750]~~

~~[Greater than \$1,500 but less than or equal _____ \$45, plus 4.4% of state taxable income
_____ to \$2,250 _____ greater than \$1,500]~~

28	[Greater than \$2,250 but less than or equal	\$78, plus 5.35% of state taxable income
29	to \$3,000	greater than \$2,250]
30	[Greater than \$3,000 but less than or equal	\$119, plus 6% of state taxable income
31	to \$3,750	greater than \$3,000]
32	[Greater than \$3,750	\$164, plus 7% of state taxable income
33	greater than \$3,750]	

34 ~~[(b) For a husband and wife filing a single return jointly, or a head of household as defined~~
 35 ~~in Section 2(b), Internal Revenue Code, filing a single return, the tax under this section is imposed~~
 36 ~~in accordance with the following table:]~~

37	[If the state taxable income is:	The tax is:]
38	[Less than or equal to \$1,500	2.55% of the state taxable income]
39	[Greater than \$1,500 but less than or equal	\$38, plus 3.5% of state taxable income
40	to \$3,000	greater than \$1,500]
41	[Greater than \$3,000 but less than or equal	\$91, plus 4.4% of state taxable income
42	to \$4,500	greater than \$3,000]
43	[Greater than \$4,500 but less than or equal	\$157, plus 5.35% of state taxable income
44	to \$6,000	greater than \$4,500]
45	[Greater than \$6,000 but less than or equal	\$237, plus 6% of state taxable income
46	to \$7,500	greater than \$6,000]
47	[Greater than \$7,500	\$327, plus 7% of state taxable income
48	greater than \$7,500]	

49 ~~[(2)] (1) For taxable years beginning on or after January 1, 1997, a tax is imposed on the~~
 50 ~~state taxable income, as defined in Section 59-10-112, of every resident individual as follows:~~

51 (a) For an individual, other than a husband and wife or head of household required to use
 52 the tax table under Subsection ~~[(2)] (1)(b)~~, the tax under this section is imposed in accordance with
 53 the following table:

54	If the state taxable income is:	The tax is:
55	Less than or equal to \$750	2.3% of the state taxable income
56	Greater than \$750 but less than or equal	\$17, plus 3.3% of state taxable income
57	to \$1,500	greater than \$750
58	Greater than \$1,500 but less than or equal	\$42, plus 4.2% of state taxable income

59	to \$2,250	greater than \$1,500
60	Greater than \$2,250 but less than or equal	\$74, plus 5.2% of state taxable income
61	to \$3,000	greater than \$2,250
62	Greater than \$3,000 but less than or equal	\$113, plus 6% of state taxable income
63	to \$3,750	greater than \$3,000
64	Greater than \$3,750	\$158, plus 7% of state taxable income
65		greater than \$3,750

66 (b) For a husband and wife filing a single return jointly, or a head of household as defined
 67 in Section 2(b), Internal Revenue Code, filing a single return, the tax under this section is imposed
 68 in accordance with the following table:

69	If the state taxable income is:	The tax is:
70	Less than or equal to \$1,500	2.3% of the state taxable income
71	Greater than \$1,500 but less than or equal	\$35, plus 3.3% of state taxable income
72	to \$3,000	greater than \$1,500
73	Greater than \$3,000 but less than or equal	\$84, plus 4.2% of state taxable income
74	to \$4,500	greater than \$3,000
75	Greater than \$4,500 but less than or equal	\$147, plus 5.2% of state taxable income
76	to \$6,000	greater than \$4,500
77	Greater than \$6,000 but less than or equal	\$225, plus 6% of state taxable income
78	to \$7,500	greater than \$6,000
79	Greater than \$7,500	\$315, plus 7% of state taxable income
80		greater than \$7,500

81 (2) (a) For taxable years beginning on or after § [~~January 1, 2002,~~ JANUARY 1, 2001 § the
 81a commission shall:

82 (i) (A) increase or decrease the individual income tax brackets under Subsection (1) in a
 83 percentage equal to the percentage difference between the consumer price index for the preceding
 84 calendar year and the consumer price index for calendar year ~~h [2000] 1999 h ; and~~

85 (B) after making an increase or decrease under Subsection (2)(a)(i)(A), round § [up] § the
 86 individual income tax brackets under Subsection (1) to the nearest \$100; and

87 (ii) increase or decrease, to the extent necessary to reflect the increase or decrease in the
 88 individual income tax brackets under Subsection (2)(a)(i), the amount of tax under Subsections
 89 (1)(a) and (b) prior to adding in the portion of the tax calculated as a percentage of state taxable

90 income.

91 (b) The commission may not increase or decrease the rate percentages provided in

92 Subsection (1)(a) or (b).

93 (c) For purposes of Subsection (2)(a)(i), the commission shall calculate the consumer price

94 index as provided in Sections 1(f)(4) and 1(f)(5), Internal Revenue Code.

Legislative Review Note

as of 12-29-99 1:21 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel