

INDIVIDUAL INCOME TAX BRACKETS

2000 GENERAL SESSION

STATE OF UTAH

Sponsor: Carl R. Saunders

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]
[Greater than \$2,250 but less than or equal _____	\$78, plus 5.35% of state taxable income

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

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

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

48 ~~[(2)]~~ (1) For taxable years beginning on or after January 1, 1997, a tax is imposed on the
 49 state taxable income, as defined in Section 59-10-112, of every resident individual as follows:

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

53	If the state taxable income is:	The tax is:
54	Less than or equal to \$750	2.3% of the state taxable income
55	Greater than \$750 but less than or equal	\$17, plus 3.3% of state taxable income
56	to \$1,500	greater than \$750
57	Greater than \$1,500 but less than or equal	\$42, plus 4.2% of state taxable income
58	to \$2,250	greater than \$1,500

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

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

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

80 (2) (a) For taxable years beginning on or after January 1, 2001, the commission shall:
 81 (i) (A) increase or decrease the individual income tax brackets under Subsection (1) in a
 82 percentage equal to the percentage difference between the consumer price index for the preceding
 83 calendar year and the consumer price index for calendar year 1999; and
 84 (B) after making an increase or decrease under Subsection (2)(a)(i)(A), round up the
 85 individual income tax brackets under Subsection (1) to the nearest \$100; and
 86 (ii) increase or decrease, to the extent necessary to reflect the increase or decrease in the
 87 individual income tax brackets under Subsection (2)(a)(i), the amount of tax under Subsections
 88 (1)(a) and (b) prior to adding in the portion of the tax calculated as a percentage of state taxable
 89 income.

90 (b) The commission may not increase or decrease the rate percentages provided in
91 Subsection (1)(a) or (b).

92 (c) For purposes of Subsection (2)(a)(i), the commission shall calculate the consumer price
93 index as provided in Sections 1(f)(4) and 1(f)(5), Internal Revenue Code.

Legislative Review Note
as of 12-29-99 1:15 PM

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

Office of Legislative Research and General Counsel