



26 (1) Except as provided in Subsection (4), for taxable years beginning on or after  
 27 January 1, [~~2001~~] 2007, a tax is imposed on the state taxable income, as defined in Section  
 28 59-10-112, of every resident individual as provided in this section.

29 (2) For an individual, other than a husband and wife or head of household required to  
 30 use the tax table under Subsection (3), the tax under this section is imposed in accordance with  
 31 the following table:

32 If the state taxable income is:	The tax is:
33 Less than or equal to \$863	<del>[2.3%</del> ] <u>2.21%</u> of the state taxable income
34 Greater than \$863 but less than or equal 35 to \$1,726	<del>[\$20]</del> <u>\$19</u> , plus <del>[3.3%</del> ] <u>3.17%</u> of state taxable income greater than \$863
36 Greater than \$1,726 but less than or equal 37 to \$2,588	<del>[\$48]</del> <u>\$46</u> , plus <del>[4.2%</del> ] <u>4.03%</u> of state taxable income greater than \$1,726
38 Greater than \$2,588 but less than or equal 39 to \$3,450	<del>[\$85]</del> <u>\$81</u> , plus <del>[5.2%</del> ] <u>4.99%</u> of state taxable income greater than \$2,588
40 Greater than \$3,450 but less than or equal 41 to \$4,313	<del>[\$129]</del> <u>\$124</u> , plus <del>[6%</del> ] <u>5.76%</u> of state taxable income greater than \$3,450
42 Greater than \$4,313	<del>[\$181]</del> <u>\$174</u> , plus <del>[7%</del> ] <u>6.72%</u> of state taxable income greater than \$4,313

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

47 If the state taxable income is:	The tax is:
48 Less than or equal to \$1,726	<del>[2.3%</del> ] <u>2.21%</u> of the state taxable income
49 Greater than \$1,726 but less than or equal 50 to \$3,450	<del>[\$40]</del> <u>\$38</u> , plus <del>[3.3%</del> ] <u>3.17%</u> of state taxable income greater than \$1,726
51 Greater than \$3,450 but less than or equal 52 to \$5,176	<del>[\$97]</del> <u>\$93</u> , plus <del>[4.2%</del> ] <u>4.03%</u> of state taxable income greater than \$3,450
53 Greater than \$5,176 but less than or equal 54 to \$6,900	<del>[\$169]</del> <u>\$162</u> , plus <del>[5.2%</del> ] <u>4.99%</u> of state taxable income greater than \$5,176
55 Greater than \$6,900 but less than or equal 56 to \$8,626	<del>[\$259]</del> <u>\$248</u> , plus <del>[6%</del> ] <u>5.76%</u> of state taxable income greater than \$6,900

57 Greater than \$8,626 [~~362~~] \$348, plus [~~7%~~] 6.72% of state  
58 taxable income greater than \$8,626

59 (4) This section does not apply to a resident individual exempt from taxation under  
60 Section 59-10-104.1.

61 Section 2. **Effective date.**

62 This bill takes effect for taxable years beginning on or after January 1, 2007.

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**Fiscal Note**  
**Bill Number HB0323S02**

**Individual Income Tax Rate Reduction**

20-Feb-06

10:58 AM

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**State Impact**

Passage of this bill could reduce the Uniform School Fund by \$27,000,000 in FY 2007 and by \$100,000,000 in FY 2008.

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2007</u>	<u>FY 2008</u>
	<u>Approp.</u>	<u>Approp.</u>	<u>Revenue</u>	<u>Revenue</u>
Uniform School Fund	\$0	\$0	(\$27,000,000)	(\$100,000,000)
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$27,000,000)</b>	<b>(\$100,000,000)</b>

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**Individual and Business Impact**

Individuals would see a decrease in tax liability.

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**Office of the Legislative Fiscal Analyst**