

FILED FEB 3 1998

WAYS & MEANS

SENATE FILE 2102

BY HALVORSON, FRAISE, and
HARPER

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act reducing the individual income tax rates and providing an
2 effective date.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 2102

1 Section 1. Section 422.5, subsection 1, paragraphs a
2 through h, Code Supplement 1997, are amended to read as
3 follows:

4 a. On all taxable income from zero through one thousand
5 dollars, ~~thirty-six~~ thirty-four hundredths of one percent.

6 b. On all taxable income exceeding one thousand dollars
7 but not exceeding two thousand dollars, ~~seventy-two~~ sixty-
8 eight hundredths of one percent.

9 c. On all taxable income exceeding two thousand dollars
10 but not exceeding four thousand dollars, two and ~~forty-three~~
11 thirty-one hundredths percent.

12 d. On all taxable income exceeding four thousand dollars
13 but not exceeding nine thousand dollars, four and ~~one-half~~
14 twenty-eight hundredths percent.

15 e. On all taxable income exceeding nine thousand dollars
16 but not exceeding fifteen thousand dollars, ~~six~~ five and
17 ~~twelve~~ eighty-one hundredths percent.

18 f. On all taxable income exceeding fifteen thousand
19 dollars but not exceeding twenty thousand dollars, six and
20 ~~forty-eight~~ sixteen hundredths percent.

21 g. On all taxable income exceeding twenty thousand dollars
22 but not exceeding thirty thousand dollars, six and ~~eight-~~
23 ~~tenths~~ forty-six hundredths percent.

24 h. On all taxable income exceeding thirty thousand dollars
25 but not exceeding forty-five thousand dollars, seven and
26 ~~ninety-two~~ fifty-two hundredths percent.

27 Sec. 2. This Act takes effect January 1, 1999, for tax
28 years beginning on or after that date.

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EXPLANATION

30 The bill reduces the individual income tax rates by 5
31 percent, except for the highest rate. The bill takes effect
32 January 1, 1999, for tax years beginning on or after that
33 date.

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