

Fiscal Analysis

INCOME TAX RATE REDUCTION PAUSE



Bill/Sponsor **SENATE BILL 852 AS PASSED SENATE**, Sen. Robert Emerson

House Committee Tax Policy

Analysis **Summary**

Senate Bill (SB) 852 (S-3) would amend the Income Tax Act to delay the rate reduction from January 1, 2004, to July 1, 2004. Under current law, the current rate is 4.0% and is scheduled to be 3.9% on January 1, 2004. This bill is tie-barred to SB 672 and SB 673.

Fiscal Impact

Senate Bill 852 (S-3) would increase income tax revenue, all of which would go to the General Fund/General Purpose (GF/GP), by an estimated \$77 million in FY 2003-04.

Analyst(s)

Rebecca Ross

FLOOR ANALYSIS - 12/17/03

Mitchell Bean, Director – House Fiscal Agency
124 N. Capitol Avenue, Lansing, MI 48909
Phone: (517)373-8080, Fax: (517)373-5874
<http://www.house.mi.gov/hfa>