

Fiscal Analysis

INCOME TAX; HOMESTEAD CREDIT



Bill/Sponsor **HOUSE BILL 4008 AS INTRODUCED**, Rep. Brian Palmer

House Committee Tax Policy

Analysis

Summary

House Bill 4008 would amend the Income Tax Act by including special assessments for fire and advanced life support in the definition of property taxes for the purpose of calculating the homestead property tax credit.

There are currently about 80 local units imposing special assessments, which total approximately \$11 million.

Fiscal Impact

As written, HB4008 would reduce income tax revenue by slightly more than \$1 million per year. Assuming that taxpayers do not adjust their withholding and reduce gross income tax revenue, the full impact would fall on the General Fund.

Analyst(s)

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