

REFERENCE TITLE: individual income tax rate reduction

State of Arizona
House of Representatives
Forty-eighth Legislature
First Regular Session
2007

HB 2337

Introduced by
Representatives Adams, Barnes, Biggs, Burges, Farnsworth, Groe, Murphy,
Nichols, Pearce, Stump, Senator Gray C: Representatives Barto, Clark,
Crandall, Crump, DeSimone, Driggs, Kavanagh, Konopnicki, Tobin, Weiers JP,
Yarbrough, Senator Waring

AN ACT

AMENDING SECTION 43-1011, ARIZONA REVISED STATUTES; RELATING TO INDIVIDUAL
INCOME TAX RATES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 43-1011, Arizona Revised Statutes, is amended to
3 read:

4 43-1011. Taxes and tax rates

5 There shall be levied, collected and paid for each taxable year upon
6 the entire taxable income of every resident of this state and upon the entire
7 taxable income of every nonresident which is derived from sources within this
8 state taxes determined in the following manner:

9 1. For taxable years beginning from and after December 31, 1996
10 through December 31, 1997:

11 (a) In the case of a single person or a married person filing
12 separately:

<u>If taxable income is:</u>	<u>The tax is:</u>
13 \$0 - \$10,000	2.90% of taxable income
14 \$10,001 - \$25,000	\$290, plus 3.30% of the excess over \$10,000
15 \$25,001 - \$50,000	\$785, plus 3.90% of the excess over \$25,000
16 \$50,001 - \$150,000	\$1,760, plus 4.80% of the excess over \$50,000
17 \$150,001 and over	\$6,560, plus 5.17% of the excess over \$150,000

18 (b) In the case of a married couple filing a joint return or a single
19 person who is a head of a household:

<u>If taxable income is:</u>	<u>The tax is:</u>
20 \$0 - \$20,000	2.90% of taxable income
21 \$20,001 - \$50,000	\$580, plus 3.30% of the excess over \$20,000
22 \$50,001 - \$100,000	\$1,570, plus 3.90% of the excess over \$50,000
23 \$100,001 - \$300,000	\$3,520, plus 4.80% of the excess over \$100,000
24 \$300,001 and over	\$13,120, plus 5.17% of the excess over \$300,000

25 2. For taxable years beginning from and after December 31, 1997
26 through December 31, 1998:

27 (a) In the case of a single person or a married person filing
28 separately:

<u>If taxable income is:</u>	<u>The tax is:</u>
29 \$0 - \$10,000	2.88% of taxable income
30 \$10,001 - \$25,000	\$288, plus 3.24% of the excess over \$10,000
31 \$25,001 - \$50,000	\$774, plus 3.82% of the excess over \$25,000
32 \$50,001 - \$150,000	\$1,729, plus 4.74% of the excess over \$50,000
33 \$150,001 and over	\$6,469, plus 5.10% of the excess over \$150,000

34 (b) In the case of a married couple filing a joint return or a single
35 person who is a head of a household:

<u>If taxable income is:</u>	<u>The tax is:</u>
36 \$0 - \$20,000	2.88% of taxable income
37 \$20,001 - \$50,000	\$576, plus 3.24% of the excess over \$20,000
38 \$50,001 - \$100,000	\$1,548, plus 3.82% of the excess over \$50,000
39 \$100,001 - \$300,000	\$3,458, plus 4.74% of the excess over \$100,000
40 \$300,001 and over	\$12,938, plus 5.10% of the excess over \$300,000

1 3. For taxable years beginning from and after December 31, 1998
2 through December 31, 2005:

3 (a) In the case of a single person or a married person filing
4 separately:

5	<u>If taxable income is:</u>	<u>The tax is:</u>
6	\$0 - \$10,000	2.87% of taxable income
7	\$10,001 - \$25,000	\$287, plus 3.20% of the excess over \$10,000
8	\$25,001 - \$50,000	\$767, plus 3.74% of the excess over \$25,000
9	\$50,001 - \$150,000	\$1,702, plus 4.72% of the excess over \$50,000
10	\$150,001 and over	\$6,422, plus 5.04% of the excess over \$150,000

11 (b) In the case of a married couple filing a joint return or a single
12 person who is a head of a household:

13	<u>If taxable income is:</u>	<u>The tax is:</u>
14	\$0 - \$20,000	2.87% of taxable income
15	\$20,001 - \$50,000	\$574, plus 3.20% of the excess over \$20,000
16	\$50,001 - \$100,000	\$1,534, plus 3.74% of the excess over \$50,000
17	\$100,001 - \$300,000	\$3,404, plus 4.72% of the excess over \$100,000
18	\$300,001 and over	\$12,844, plus 5.04% of the excess over \$300,000

19 4. For taxable years beginning from and after December 31, 2005
20 through December 31, 2006:

21 (a) In the case of a single person or a married person filing
22 separately:

23	<u>If taxable income is:</u>	<u>The tax is:</u>
24	\$0 - \$10,000	2.73% of taxable income
25	\$10,001 - \$25,000	\$273, plus 3.04% of the excess over \$10,000
26	\$25,001 - \$50,000	\$729, plus 3.55% of the excess over \$25,000
27	\$50,001 - \$150,000	\$1,617, plus 4.48% of the excess over \$50,000
28	\$150,001 and over	\$6,097, plus 4.79% of the excess over \$150,000

29 (b) In the case of a married couple filing a joint return or a single
30 person who is a head of a household:

31	<u>If taxable income is:</u>	<u>The tax is:</u>
32	\$0 - \$20,000	2.73% of taxable income
33	\$20,001 - \$50,000	\$546, plus 3.04% of the excess over \$20,000
34	\$50,001 - \$100,000	\$1,458, plus 3.55% of the excess over \$50,000
35	\$100,001 - \$300,000	\$3,233, plus 4.48% of the excess over \$100,000
36	\$300,001 and over	\$12,193, plus 4.79% of the excess over \$300,000

37 5. For taxable years beginning from and after December 31, 2006:

38 (a) In the case of a single person or a married person filing
39 separately:

40	<u>If taxable income is:</u>	<u>The tax is:</u>
41	\$0 - \$10,000	2.59% of taxable income
42	\$10,001 - \$25,000	\$259, plus 2.88% of the excess over \$10,000
43	\$25,001 - \$50,000	\$691, plus 3.36% of the excess over \$25,000
44	\$50,001 - \$150,000	\$1,531, plus 4.24% of the excess over \$50,000
45	\$150,001 and over	\$5,771, plus 4.54% of the excess over \$150,000

1	\$0 - \$10,000	2.46% OF TAXABLE INCOME
2	\$10,001 - \$25,000	\$246, PLUS 2.74% OF THE EXCESS OVER \$10,000
3	\$25,001 - \$50,000	\$657, PLUS 3.19% OF THE EXCESS OVER \$25,000
4	\$50,001 - \$150,000	\$1,454, PLUS 4.03% OF THE EXCESS OVER \$50,000
5	\$150,001 AND OVER	\$5,484, PLUS 4.31% OF THE EXCESS OVER \$150,000

6 (b) In the case of a married couple filing a joint return or a single
7 person who is a head of a household:

8	<u>If taxable income is:</u>	<u>The tax is:</u>
9	\$0 - \$20,000	2.59% of taxable income
10	\$20,001 - \$50,000	\$518, plus 2.88% of the excess over \$20,000
11	\$50,001 - \$100,000	\$1,382, plus 3.36% of the excess over \$50,000
12	\$100,001 - \$300,000	\$3,062, plus 4.24% of the excess over \$100,000
13	\$300,001 and over	\$11,542, plus 4.54% of the excess over \$300,000
14	\$0 - \$20,000	2.46% OF TAXABLE INCOME
15	\$20,001 - \$50,000	\$492, PLUS 2.74% OF THE EXCESS OVER \$20,000
16	\$50,001 - \$100,000	\$1,314, PLUS 3.19% OF THE EXCESS OVER \$50,000
17	\$100,001 - \$300,000	\$2,909, PLUS 4.03% OF THE EXCESS OVER \$100,000
18	\$300,001 AND OVER	\$10,969, PLUS 4.31% OF THE EXCESS OVER \$300,000

19 Sec. 2. Retroactivity

20 Section 43-1011, Arizona Revised Statutes, as amended by this act,
21 applies retroactively to taxable years beginning from and after December 31,
22 2006.