

HB 2830 STAFF MEASURE SUMMARY

House Committee On Revenue

Prepared By: Chris Allanach, Senior Economist

Meeting Dates: 3/2, 6/5

WHAT THE MEASURE DOES:

Increases the corporation excise tax rates from 6.6% and 7.6% to 7% and 8%, respectively. Applies to tax years 2017 and later.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

From 1987 to 2008 corporations were taxed at a flat rate of 6.6%. Since 2009, corporations have been subject to a two bracket rate structure. For 2009 and 2010, the top rate was 7.9% for income above \$250,000. For 2011 and 2012, the top rate was reduced to 7.6%. Since 2013, the top rate of 7.6% has applied to income above \$1 million.