

Income/Franchise:

Idaho: Pending Legislation Includes Corporate and Individual Income Tax Rate Reductions

H.B. 436, passed House and Senate as of 2/2/22. Pending legislation that Governor Brad Little is expected to sign into law includes provisions that lower Idaho's corporate income tax rate from 6.5% to 6.0%, retroactively to January 1, 2022. If signed into law, the pending bill also would consolidate Idaho's personal income tax brackets from five brackets to four and simultaneously revise some individual income tax rates – including lowering the top individual income tax rate from 6.5% to 6.0%. Additionally, the pending bill would provide a one-time individual income tax rebate of up to \$350 million, “returning approximately 12% of 2020 Idaho personal income tax (line 20) or \$75 for each taxpayer and dependent, whichever is greater,” according to accompanying bill notes. Please contact us with any questions.

URL: <https://legislature.idaho.gov/sessioninfo/2022/legislation/H0436/>

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