



Senate Committee Substitute for Senate Bills 3 & 5
Tax Changes Heavily Weighted to Benefit Wealthiest - Impact by Income
Cost: \$513 Million

First Year Impact - 2023

2022 Income	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Top 1%
Income	Less than	\$22,000 –	\$40,000 –	\$66,000 –	\$110,000 –	\$229,000 –	\$552,000 –
Range	\$22,000	\$40,000	\$66,000	\$110,000	\$229,000	\$552,000	Or More
Average Income in Group	\$13,000	\$30,000	\$52,000	\$86,000	\$152,000	\$332,000	\$1,581,000
Impact of dropping top bracket from 5.3 to 4.95% (Cost: \$468 Million)							
Average Tax Change	-0	-10	-50	-120	-320	-800	-4,194
Eliminating first \$1,000 from income taxes (Cost: \$45 Million)							
Average Tax Change	-3	-7	-16	-23	-28	-26	-20
Combined Impact (Cost Year One: \$513 million)							
	-3	-17	-66	-143	-348	-826	-4,214

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Tax Changes Heavily Weighted to Benefit Wealthiest - Impact by Income
Cost: \$1.115 billion annually when fully implemented

Full Implementation - Likely 2032 or later

2022 Income	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Top 1%
Income	Less than	\$22,000 –	\$40,000 –	\$66,000 –	\$110,000 –	\$229,000 –	\$552,000 –
Range	\$22,000	\$40,000	\$66,000	\$110,000	\$229,000	\$552,000	Or More
Average Income in Group	\$13,000	\$30,000	\$52,000	\$86,000	\$152,000	\$332,000	\$1,581,000
Impact of dropping top bracket from 5.3 to 4.5% (Cost: \$1.07 Billion)							
Average Tax Change	-0	-22	-115	-275	-731	-1,829	-9,558
Eliminating first \$1,000 from income taxes (Cost: \$45 Million)							
Average Tax Change	-3	-7	-16	-23	-28	-26	-20
Combined Impact (Cost: \$1.115 Billion)							
	-3	-29	-131	-298	-759	-1,855	-9,578

Source: Institute on Taxation and Economic Policy, August 2022 data