

HOUSE OF REPRESENTATIVES

KENTUCKY GENERAL ASSEMBLY AMENDMENT FORM
2025 REGULAR SESSION
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Amend printed copy of **HB 1**

Starting on page 1, line 8, after "(2)", insert an opening bracket and strike through language beginning on line 8 and continuing through to page 3, line 3, and insert a closing bracket after ")."; and

On page 3, line 4, delete "(b)", and insert "(a)~~[(b)]~~"; and

On page 3, line 6, delete "(c)", and insert "(b)~~[(c)]~~"; and

On page 3, line 7, after "1", delete "2026", and insert "2025"; and

On page 3, delete lines 8 and 9 in their entirety, and insert:

"(c) For taxable years beginning on or after January 1, 2025, but before January 1, 2026, the tax shall be three percent (3%) of net income.

"(d) For taxable years beginning on or after January 1, 2026, but before January 1, 2027, the tax shall be two percent (2%) of net income.

"(e) For taxable years beginning on or after January 1, 2027, but before January 1, 2028, the tax shall be one percent (1%) of net income.

"(f) For taxable years beginning on or after January 1, 2028, the tax shall be zero percent (0%) of net income.~~[(d)]~~"; and

Beginning on page 3, line 10, and continuing through page 4, line 13, delete all language, and insert in lieu thereof:

~~"[1. For taxable years beginning on or after January 1, 2025, the income tax rate~~

Amendment No. HFA 5

Rep. Rep. Steven Doan

Committee Amendment _____

Signed: _____

Floor Amendment _____

LRC Drafter: _____

Adopted: _____

Date: _____

Rejected: _____

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~~may be reduced according to the annual process established in subparagraphs 2. to 5. of this paragraph.~~

~~2. The Office of State Budget Director shall review the reduction conditions for the fiscal year 2022-2023 no later than September 1, 2023.~~

~~3. After reviewing the reduction conditions under subparagraph 2. of this paragraph, the Office of State Budget Director shall, no later than September 5, 2023, report to the Interim Joint Committee on Appropriations and Revenue:~~

~~a. Whether the reduction conditions for the fiscal year 2022-2023 have been met; and~~

~~b. The amounts associated with each item within the reduction conditions used for making that determination.~~

~~4. a. If the reduction conditions have been met for fiscal year 2022-2023, the General Assembly may take action to reduce the rate in paragraph (c) of this subsection for the taxable year beginning January 1, 2025.~~

~~b. If the reduction conditions have not been met for fiscal year 2022-2023 or the General Assembly does not take action to reduce the rate in paragraph (c) of this subsection, the department shall maintain the rate in paragraph (c) of this subsection for the taxable year beginning January 1, 2025.~~

~~5. a. The Office of State Budget Director shall implement an annual process to review and report future reduction conditions at the same time and in the same manner for each fiscal year subsequent to the fiscal year 2022-2023 and each taxable year subsequent to the taxable year beginning January 1, 2025.~~

~~b. The department shall not implement an income tax rate reduction without an action by the General Assembly.~~

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e.—~~The annual process shall continue until the income tax rate is zero.]~~"; and

On page 4, line 14, delete "(f)", and insert "(g)"; and

On page 4, line 16, delete "(g)", and insert "(h)".