

HB 1645 -- Tax Deduction for Federal Income Tax Liability

Sponsor: Onder

Currently, the state income tax deduction for federal income taxes is limited to \$5,000 for an individual taxpayer, \$10,000 for combined taxpayers, and 50% of the federal income tax for corporations. Beginning January 1, 2009, this bill allows full deductibility from state income tax of all federal income tax liability without a reduction for tax credits claimed.