

HCS HB 223 -- INCOME TAX DEDUCTION

SPONSOR: Schulte

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Ways and Means by a vote of 5 to 2.

The following is a summary of the House Committee Substitute for HB 223.

Beginning January 1, 2026, an employer will be allowed a tax deduction of up to 100% of regular wages paid to an employee, including self-employed individuals, serving jury duty, minus any amount of the employee's jury duty compensation remitted to the employer.

If an employer is found to have violated certain State or Federal laws affecting jury duty, that employer will be deemed ineligible for the deduction under this bill for the tax year in which the violation occurred. If the violation was discovered within one year of receiving the deduction, the employer must repay to the State the amount of tax savings realized from the deduction.

These provisions sunset on December 31st, six years after the effective date.

This bill is the same as HB 2776 (2024).

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPOSERS: Supporters say that this bill allows employers to take a tax deduction if they choose to pay their employee while that employee is on jury duty. Proponents state that this bill would incentivize more people to do their jury duty.

Testifying in person for the bill was Representative Schulte.

OPPOSERS: There was no opposition voiced to the committee.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.