

HB 860 -- INCOME TAX DEDUCTIONS FOR CERTAIN EMPLOYEE COMPENSATION

SPONSOR: Simmons

COMMITTEE ACTION: Voted "Do Pass" by the Special Committee on Tax Reform by a vote of 6 to 3.

Beginning January 1, 2026, this bill allows taxpayers to subtract from their Federal adjusted gross income 100% of overtime compensation.

Beginning January 1, 2026, this bill allows taxpayers to subtract from their Federal adjusted gross income 100% of any tips received or paid to a tipped employee engaged in an occupation that customarily and regularly receives tips.

This bill is similar to HB 198(2025) and SB 452(2023).

PROPONENTS: Supporters say that this bill will help people to keep their money.

Testifying in person for the bill was Representative Simmons.

OPPONENTS: 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.