Relevant Facts of House Bill 115
The Governor and House Majority’s Tax Plan

**Personal income tax**
- Establishes a personal income tax based on your adjusted gross income.

<table>
<thead>
<tr>
<th>INCOME</th>
<th>SINGLE NO CHILDREN</th>
<th>SINGLE HEAD OF HOUSEHOLD 2 CHILDREN</th>
<th>MARRIED FILING JOINT RETURN NO CHILDREN</th>
<th>MARRIED FILING JOINT RETURN 2 CHILDREN</th>
</tr>
</thead>
<tbody>
<tr>
<td>$50,000</td>
<td>$867.00</td>
<td>$616.00</td>
<td>$484.00</td>
<td>$233.00</td>
</tr>
<tr>
<td>$75,000</td>
<td>$1,792.00</td>
<td>$1,390.00</td>
<td>$1,109.00</td>
<td>$858.00</td>
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<tr>
<td>$100,000</td>
<td>$2,792.00</td>
<td>$2,390.00</td>
<td>$1,734.00</td>
<td>$1,483.00</td>
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<tr>
<td>$150,000</td>
<td>$5,241.00</td>
<td>$4,739.00</td>
<td>$3,583.00</td>
<td>$3,181.00</td>
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<tr>
<td>$200,000</td>
<td>$7,741.00</td>
<td>$7,239.00</td>
<td>$5,583.00</td>
<td>$5,181.00</td>
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<td>$250,000</td>
<td>$10,992.50</td>
<td>$10,089.00</td>
<td>$7,983.00</td>
<td>$7,481.00</td>
</tr>
</tbody>
</table>

- Provides for a $4,000 exemption for an individual, an individual filing jointly with the individual, or a dependent of the individual.
- No mortgage interest deductions or charitable donation deductions.
- Forces employers to treat independent contractors like employees and collect their tax money.

**Other tax provisions**
- Sole proprietors, limited liability corporations, and S corporations will now be taxed.
- Taxes income generated from outside of Alaska.
- Institutes a new tax on trusts at 7%.
- It will also tax Alaska Native Settlement Trusts at 2.5%
- Taxes from the cradle to the grave
  - Taxes the interest on your kids’ college funds.
  - Taxes retiree’s pensions.
  - Institutes a death tax.
- If you sell your house, you’d be taxed by the state on any capital gains.

**Key points**
- Bill raises over $650 million without reducing the size of government. This tax and spend bill will only increase government.
- Creates such a complex tax structure you will need an accountant to sort it out what you owe.
- Creates an “Alaskan IRS” with a minimum of 60 people costing nearly $8 million.
- Governor Walker hired an outside expert to draft this new version of the income tax bill, and they have yet to make him available to the committee for questions.
- Unfairly punished unmarried Alaskans who use fewer government services, particularly single women as the wage gap between men and women is so severe in Alaska.
- The cost for just the software alone to implement these new taxes will be over $40 million.