

FISCAL NOTE

June 1, 2023

Bill No:	SB 346	Printer's No:	461	Sponsor:	Rothman
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COST / (SAVINGS)

Fund (s)	2022-23	2023-24
General Fund	\$0	\$43.8 million

SUMMARY: This bill amends the Tax Reform Code, in corporate net income tax, further providing for definitions.

ANALYSIS: SB 346 provides for a corporate net income tax (CNIT) net operating loss cap increase to the following rates:

- 50 percent in 2024,
- 60 percent in 2025,
- 70 percent in 2026,
- 80 percent in 2027 and in each subsequent year.

FISCAL IMPACT: SB 346 carries an annual fiscal impact of \$43.8 million in Fiscal Year 2023-24 and \$173.3 million in Fiscal Year 2024-25.

TAX YEAR	CURRENT LAW	PROPOSAL	FISCAL YEAR	EFFECT
2023	40%	40%	2022-23	0
2024	40%	50%	2023-24	-43.8
2025	40%	60%	2024-25	-173.3
2026	40%	70%	2025-26	-260.2
2027	40%	80%	2026-27	-308.1
2028	40%	80%	2027-28	-328.8