



## FISCAL NOTE

### House Bill 389

Committee: Ways and Means Education

Sponsor: Representative Danny Garrett

Analyst: Riley Aaron

Date: 03/06/2025

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**House Bill 389** as introduced would decrease individual income tax receipts to the Education Trust Fund by an estimated \$18.9 million in fiscal year 2026 and an estimated \$25.1 million each fiscal year thereafter by increasing:

- (1) the adjusted gross income (AGI) threshold floor to claim the existing \$1,000 dependent exemption from \$50,000, currently, to \$60,000;
- (2) the AGI threshold cap to claim the existing \$500 dependent exemption from \$100,000, currently, to \$120,000;
- (3) the AGI floor to claim the optional standard deduction for taxpayers that are married filing jointly, head of family, and single from (a) \$25,500, currently, to \$28,000; and (b) from \$12,750, currently, to \$14,000 for taxpayers that are married filing separate;
- (4) for taxpayers that are married filing jointly: the minimum standard deduction amount from \$5,000, currently, to \$6,000, and the maximum standard deduction amount from \$8,500, currently, to \$9,500.
- (5) the minimum standard deduction amount from \$2,500, currently to \$3,000, for taxpayers that are married filing separate, head of family, and single; and
- (6) the maximum standard deduction amount for taxpayers that are:
  - (6)(a) married filing separate from \$4,250, currently, to \$4,750;
  - (6)(b) head of family from \$5,200, currently, to \$5,700; or
  - (6)(c) single from \$3,000 currently, to \$3,500.