

§5199-C. Imposition of tax

Notwithstanding any provision of law to the contrary, for every taxable year beginning on or after January 1, 2026, a tax is imposed on every electing pass-through entity. For each taxable year, the tax is equal to the pass-through entity taxable income multiplied by the highest marginal tax rate under section 5111 except for the income tax surcharge imposed pursuant to section 5111, subsection 7. The tax imposed by this section may not be reduced for a pass-through entity by any of the credits in chapter 822. Notwithstanding any provision of law to the contrary, for all budgetary accounting purposes, receipts from the tax imposed by this section are individual income tax revenue and must be treated for such purposes in the same manner as receipts from the tax imposed by chapter 803. [PL 2025, c. 650, Pt. N, §3 (NEW); PL 2025, c. 650, Pt. N, §8 (AFF).]

SECTION HISTORY

PL 2025, c. 650, Pt. N, §3 (NEW). PL 2025, c. 650, Pt. N, §8 (AFF).

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