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This bill reduces the corporate franchise tax rate by one percentage point (from 9.8 percent to 8.8 percent) and makes a proportionate reduction in the corporate alternative minimum tax (AMT) rate (from 5.8 percent to 5.2 percent).

Effective date: tax year 2018

Background: The corporate franchise tax and the corporate AMT rates were set at their current levels in 1990 (effective for tax year 1990) and have remained unchanged since.