

Regular Session, 2011

HOUSE BILL NO. 620

BY REPRESENTATIVE BALDONE

TAX/INCOME TAX: Excludes from state income taxation certain payments for lost wages and lost income as a result of the Gulf Oil Spill

1 AN ACT

2 To enact R.S. 47:287.738(H) and 297.13, relative to individual and corporate income
3 taxation; to exclude certain payments received as a result of certain disasters from
4 state individual and corporate income taxation; to provide for effectiveness; and to
5 provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:287.738(H) and 297.13 are hereby enacted to read as follows:

8 §287.738. Other inclusions and exclusions from gross income

9 * * *

10 H. Deduction for Gulf Oil Spill of 2010 recovery benefits. Any gratuitous
11 grant, loan, or other benefit directly or indirectly provided to a taxpayer as
12 compensation or replacement for lost business income as a result of the Gulf Oil
13 Spill of 2010 shall be allowed as a deduction if such benefit was included in federal
14 gross income.

15 * * *

16 §297.13. Exclusion from income; Gulf Oil Spill Disaster of 2010

17 Any gratuitous grant, loan, payment, or other benefit directly or indirectly
18 provided to a taxpayer as compensation or replacement for lost wages or lost income
19 as a result of the Gulf Oil Spill Disaster of 2010 shall be excluded from Louisiana

1 tax table income for purposes of the tax imposed by this Part if such benefit was
2 included in federal adjusted gross income.

3 Section 2. The provisions of this Act shall be applicable for taxable periods
4 beginning on or after January 1, 2011.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Baldone

HB No. 620

Abstract: Excludes from state individual or corporate income taxes payments or other benefits provided to a taxpayer as compensation or replacement for lost income as a result of the Gulf Oil Spill Disaster of 2010.

Present law authorizes the state to levy a tax on the net income of residents, nonresidents, estates, and trusts. Further authorizes the state to levy a tax upon the La. taxable income of corporations and other entities taxed as corporations for federal income tax purposes.

Proposed law retains present law but provides, with respect to both individual income and corporate income taxes, that any gratuitous grant, loan, payment, or other benefit directly or indirectly provided to a taxpayer as compensation or replacement for lost wages or lost income as a result of the Gulf Oil Spill Disaster of 2010 shall be excluded from La. income taxes.

The provisions of proposed law shall be applicable for taxable periods beginning on or after January 1, 2011.

(Adds R.S. 47:287.738(H) and 297.13)