

2017 Regular Session

HOUSE BILL NO. 374

BY REPRESENTATIVE IVEY

TAX/INCOME TAX: Provides with respect to deductions from net taxable income and exemptions for the individual income tax

1 AN ACT

2 To amend and reenact R.S. 47:44.2 and to repeal R.S. 47:293(9)(a)(ix), relative to individual
3 income tax; to provide with respect to net taxable income and exemptions; to provide
4 relative to the deduction for expenses disallowed under certain federal income tax
5 provisions; to provide with respect to the exemption for certain retirement income
6 and benefits paid by the federal government; to provide for effectiveness; and to
7 provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:44.2 is hereby amended and reenacted to read as follows:

10 §44.2. Federal social security benefits; federal and railroad retirement income
11 exempt from taxation

12 ~~Any~~ Six thousand dollars of annual retirement income from any benefit
13 received by an individual pursuant to the provisions of Chapter 7 of Title 42 of the
14 United States Code (42 U.S.C. 301 et seq.), ~~and any income received by an~~
15 ~~individual~~ pursuant to a retirement system for retirees of the United States
16 Government, or pursuant to the Railroad Retirement Act of 1974 (45 U.S.C. 231 et
17 seq.) shall be exempt from the state income tax.

18 * * *

19 Section 2. R.S. 47:293(9)(a)(ix) is hereby repealed in its entirety.

1 Section 3. This Act shall take effect and become operative on January 1, 2018, if
 2 and when the Act which originated as House Bill No. 119 of this 2017 Regular Session of
 3 the Legislature is enacted and becomes effective, and if House Resolution No. ___ of the
 4 2017 Regular Session of the Legislature is adopted by both houses of the Legislature.

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)]

HB 374 Original

2017 Regular Session

Ivey

Abstract: Limits the amount of certain types of federal retirement income which may be exempt from individual income tax to the first \$6,000 of such income and repeals a deduction for certain expenses disallowed for purposes of federal personal income tax.

Present law establishes an exemption from individual income tax for any benefit received by an individual pursuant to the provisions of Ch. 7 of Title 42 of the U.S. Code (42 U.S.C. 301 et seq.), or pursuant to a retirement system for retirees of the federal government, or pursuant to the Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.).

Proposed law changes present law by limiting the amount of income exempt from taxation to \$6,000 per year.

Present law authorizes a deduction from individual income tax for an amount equal to the expenses which would otherwise be deductible from federal personal income tax but for the provisions of Section 280C of the Internal Revenue Code of the U. S.

Proposed law repeals present law.

Effective Jan. 1, 2018, if and when House Bill No. 119 of this 2017 R.S. is enacted and becomes effective and if House Concurrent Resolution No. ___ of the 2017 R.S. is adopted by both houses of the La. Legislature.

(Amends R.S. 47:44.2; Repeals R.S. 47:293(9)(a)(ix))