2016 First Extraordinary Session

HOUSE BILL NO. 57

BY REPRESENTATIVE STOKES

TAX CREDITS: Repeals three-year sunset on certain eligibility requirements relative to the income tax credit for net taxes paid to other states (Item #13)

AN ACT

To amend and reenact Section 4 of Act No. 109 of the 2015 Regular Session of the Legislature and to repeal Section 2 of Act No. 109 of the 2015 Regular Session of the Legislature, relative to the sunset provisions of Act No. 109 of the 2015 Regular Session of the Legislature; to provide with respect to the individual income tax credit for taxes paid to other states; to repeal the three-year sunset of modifications to the tax credit in Act No. 109 of the 2015 Regular Session of the Legislature; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Section 2 of Act No. 109 of the 2015 Regular Session of the Legislature is hereby repealed in its entirety.

Section 2. Section 4 of Act No. 109 of the 2015 Regular Session of the Legislature is hereby amended and reenacted as follows:

* * *

Section 4. The provisions of Sections 1 ~~and 3~~, 3, and 4 of this Act shall become effective on July 1, 2015~~, and shall remain effective through June 30, 2018, at which time the provisions of Sections 1 and 3 of this Act shall become null, void, and of no effect. The provisions of Section 4 of this Act shall become effective on~~

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~~July 1, 2015. The provisions of Section 2 of this Act shall become effective on July 1, 2018~~.

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Section 3. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

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 57 Engrossed 2016 First Extraordinary Session Stokes

Abstract: Removes the three-year sunset provision of Act No. 109 of the 2015 Regular Session of the Legislature relative to the individual income tax credit for net taxes paid to other states.

Present law authorizes an individual income tax credit in an amount equal to income taxes paid for the same taxable period to another state on income that is subject to La. tax if the other state authorizes a similar credit.

Present law authorizes a credit for three years in an amount of the lesser of the actual amount of tax paid to the other state or the amount of La. income tax that would have been imposed if the income had been earned in La.

Present law sunsets in three years, those provisions of present law that require the state to which income taxes were paid to authorize a similar credit and that the credit amount be the lesser of the actual amount of tax paid to the other state or the amount of La. income tax that would have been imposed if the income had been earned in La.

Proposed law repeals the three-year sunset provisions of present law thereby making the provisions of present law permanent.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends §4 of Act No. 109 of the 2015 R.S.; Repeals §2 of Act No. 109 of the 2015 R.S.)

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