

Regular Session, 2013

HOUSE BILL NO. 701

BY REPRESENTATIVE LEGER

TAX/INCOME TAX: Reduces the state tax levied on the net income of individuals

1 AN ACT

2 To amend and reenact R.S. 47:32(A), relative to state income tax; to provide with respect
3 to rates of the tax levied on the net income of individuals; to provide for
4 effectiveness; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:32(A) is hereby amended and reenacted to read as follows:

7 §32. Rates of tax

8 A. On individuals. The tax to be assessed, levied, collected, and paid upon
9 the taxable income of an individual shall be computed at the following rates:

10 (1) ~~Two~~ One and one-half percent on that portion of the first twelve thousand
11 five hundred dollars of net income which is in excess of the credits against net
12 income provided for in R.S. 47:79;

13 (2) Four percent on the next thirty-seven thousand five hundred dollars of
14 net income;

15 (3) Six percent on any amount of net income in excess of fifty thousand
16 dollars of net income.

17 * * *

18 Section 2. The provisions of this Act shall be effective on January 1, 2014, and shall
19 be applicable to all tax years beginning on and after January 1, 2014.

DIGEST

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Leger

HB No. 701

Abstract: Reduces the tax levied on the net income of individuals.

Present law provides for a tax to be assessed, levied, collected, and paid upon the taxable income of an individual to be computed as follows:

- (1) 2% on that portion of the first \$12,500 of net income;
- (2) 4% on the next \$37,500 of net income;
- (3) 6% on any amount of net income in excess of \$50,000.

Proposed law changes present law by reducing the income tax rate on the first \$12,500 of the net income from 2% to 1-1/2%.

Effective Jan. 1, 2014, and shall be applicable to all tax years beginning on and after Jan. 1, 2014.

(Amends R.S. 47:32(A))