

Regular Session, 2011

HOUSE CONCURRENT RESOLUTION NO. 63

BY REPRESENTATIVE MICHAEL JACKSON

TAX/INCOME TAX: Suspends the individual income tax deduction for excess federal itemized personal deductions

A CONCURRENT RESOLUTION

1  
2 To suspend until sixty days after final adjournment of the 2012 Regular Session of the  
3 Legislature of Louisiana, relative to the individual income tax; to suspend the  
4 provisions of R.S. 47:293(9)(a)(xi) which authorize a tax deduction for excess  
5 federal itemized personal deductions for residents, and the provisions of R.S.  
6 47:293(10) to the extent that those provisions authorize a tax deduction for excess  
7 federal itemized personal deductions for nonresidents.

8 WHEREAS, in 2002 the voters of Louisiana adopted a more progressive and  
9 contemporary system of taxation by substituting exemptions from state sales taxes on food  
10 and residential utilities with increases in state income taxes; and

11 WHEREAS, this change was effectuated through balancing the loss of one source  
12 of revenue with an increase in another, one of which changes was the elimination of the  
13 individual income tax deduction for excess federal itemized personal deductions in excess  
14 of the federal standard deduction; and

15 WHEREAS, the recovery from the storms of 2005 resulted in a massive infusion of  
16 federal money into the state, which in turn lead to greatly inflated sales tax and corporate  
17 income tax collections, which collections, along with an unusually high price for oil,  
18 contributed to state general fund surpluses; and

19 WHEREAS, although the cause for this short-lived spike in state revenues was  
20 temporary, in 2008 the legislature instituted a reversal of a significant portion of the tax  
21 swap policy; and

1           WHEREAS, the loss of revenue due to the renewal of the deduction for excess  
2 federal itemized personal deductions is estimated to exceed three hundred million dollars per  
3 year; and

4           WHEREAS, this revenue loss is compounded by the downturn in state and local  
5 government revenues due to the lingering recession, so much so that the estimated revenue  
6 shortfall for Fiscal Year 2011-2012 is estimated to be over one billion dollars.

7           THEREFORE, BE IT RESOLVED that the Legislature of Louisiana hereby suspends  
8 the provisions of R.S. 47:293(9)(a)(xi) which authorize a tax exemption for excess federal  
9 itemized personal deductions for residents, and the provisions of R.S. 47:293(10) to the  
10 extent that those provisions authorize a tax exemption for excess federal itemized personal  
11 deductions for nonresidents.

12           BE IT FURTHER RESOLVED that this suspension shall become effective upon  
13 adoption of this Resolution and shall extend through the sixtieth day after final adjournment  
14 of the 2012 Regular Session of the Legislature of Louisiana.

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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)]

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Michael Jackson

HCR No. 63

Suspends the individual income tax exemption for excess federal itemized personal deductions for residents and nonresidents.

(Suspends R.S. 47:293(9)(a)(xi) and (10)(limited to the exemption for excess federal itemized personal deductions.))