

2021 Regular Session

SENATE BILL NO. 11

BY SENATOR TALBOT

TAX EXEMPTIONS. Provides an individual and corporation income tax exemption for state and federal COVID-19 relief benefits. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 47:293(10) and to enact R.S. 47:287.738(H), 293(9)(a)(xx), and
3 297.16, relative to income tax exemptions; to provide for an individual and
4 corporation income tax exemption for certain state and federal COVID-19 relief
5 benefits; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:293(10) is hereby amended and reenacted and R.S.
8 47:287.738(H), 293(9)(a)(xx), and 297.16 are hereby enacted to read as follows:

9 §287.738. Other inclusions and exclusions from gross income

10 * * *

11 **H. Exemption for COVID-19 relief benefits. Any gratuitous grant, loan,**
12 **rebate, tax credit, advance refund, or other qualified disaster relief benefit**
13 **directly or indirectly provided to a corporation by the state or federal**
14 **government as a COVID-19 relief benefit as defined in R.S. 47:297.16 shall be**
15 **exempt if the benefit was included in the corporation's federal gross income.**

16 * * *

17 §293. Definitions

1 by 26 U.S.C. 280C, salaries, wages or other compensation received for disaster or
 2 emergency-related work rendered during a declared state disaster or emergency, the
 3 deduction for net capital gains, the pass-through entity exclusion provided in R.S.
 4 47:297.14, and personal exemptions and deductions provided for in R.S. 47:294. The
 5 proportionate amount is to be determined by the ratio of Louisiana income to federal
 6 adjusted gross income. When federal adjusted gross income is less than Louisiana
 7 income, the ratio shall be one hundred percent.

8 * * *

9 **§297.16. Tax exemption; COVID-19 relief benefit**

10 **A. A COVID-19 relief benefit shall be exempt from the provisions of this**
 11 **Part if the benefit was included in the taxpayer's federal adjusted gross income.**

12 **B. "COVID-19 relief benefit" means any gratuitous grant, loan, rebate,**
 13 **tax credit, advance refund, or other qualified disaster relief benefit directly or**
 14 **indirectly provided to a taxpayer by the state or federal government including**
 15 **but not limited to benefits provided pursuant to the Coronavirus Aid, Relief,**
 16 **and Economic Security Act, the Taxpayer Certainty and Disaster Relief Act, the**
 17 **COVID-Related Tax Relief Act, the Consolidated Appropriations Act of 2021,**
 18 **the State Coronavirus Relief Program, the Coronavirus Local Recovery**
 19 **Allocation Program, the Louisiana Main Street Recovery Program, the Critical**
 20 **Infrastructure Worker's Hazard Pay Rebate, and pursuant to any other existing**
 21 **or subsequent state or federal COVID-19 relief legislation. A COVID-19 relief**
 22 **benefit shall not include any unemployment compensation benefits provided to**
 23 **a taxpayer.**

24 Section 2. The provisions of this Act shall be retroactively and prospectively applied
 25 and shall apply to any gratuitous grant, loan, rebate, tax credit, advance refund, or other
 26 qualified disaster relief benefit directly or indirectly provided to a taxpayer by the state or
 27 federal government as a COVID-19 relief benefit.

28 Section 3. This Act shall become effective upon signature by the governor or, if not
 29 signed by the governor, upon expiration of the time for bills to become law without signature

1 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 2 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 3 effective on the day following such approval.

The original instrument was prepared by Curry J. Lann. The following digest, which does not constitute a part of the legislative instrument, was prepared by Ann S. Brown.

	DIGEST	
SB 11 Reengrossed	2021 Regular Session	Talbot

Present law provides for various exemptions from individual and corporation income tax.

Proposed law provides for an individual and corporation income tax exemption for certain state and federal COVID-19 relief benefits.

Proposed law defines "COVID-19 relief benefit" as any gratuitous grant, loan, rebate, tax credit, advance refund, or other qualified disaster relief benefit directly or indirectly provided to a taxpayer by the state or federal government including but not limited to the Coronavirus Aid, Relief, and Economic Security Act, the Taxpayer Certainty and Disaster Relief Act, the COVID-Related Tax Relief Act, the Consolidated Appropriations Act of 2021, the State Coronavirus Relief Program, the Coronavirus Local Recovery Allocation Program, the Louisiana Main Street Recovery Program, the Critical Infrastructure Worker's Hazard Pay Rebate, and to any other existing or subsequent state or federal COVID-19 relief legislation.

Proposed law excludes unemployment compensation benefits provided to a taxpayer from the individual income tax exemption.

Effective upon signature of the governor or lapse of time for gubernatorial action and retroactive, applying to any gratuitous grant, loan, rebate, tax credit, advance refund, or other qualified disaster relief benefit directly or indirectly provided to a taxpayer as a COVID-19 relief benefit.

(Amends R.S. 47:293(10); adds R.S. 47:287.738(H), 293(9)(a)(xx), and 297.16)

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

1. Makes technical changes.