

2025 Regular Session

SENATE BILL NO. 235

BY SENATOR DUPLESSIS

TAX/INCOME/PERSONAL. Establishes an individual income tax credit for payments made toward a homeowner's insurance policy premium. (1/1/26)

1 AN ACT

2 To enact R.S. 47:297.26, relative to individual income tax; to provide for a credit toward a
3 homeowner's insurance policy premium; to provide relative to limitation of the
4 credit; to provide for refundability for certain taxpayers; to authorize the credit to be
5 carried forward in certain circumstances; to require certain taxpayers to maintain
6 documentation; to provide for rulemaking; to provide for an effective date; and to
7 provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:297.26 is hereby enacted to read as follows:

10 **§297.26. Tax credit; insurance premium**

11 **A. There shall be allowed a credit against the tax imposed by this**
12 **Chapter for an individual taxpayer who pays an insurance policy premium for**
13 **homeowner's insurance. In order to qualify for the credit, the taxpayer's income**
14 **shall not exceed an amount equal to two hundred percent of the federal poverty**
15 **guidelines published in the prior calendar year in the Federal Register by the**
16 **United States Department of Health and Human Services under its authority**
17 **to revise the poverty line pursuant to 42 USC 9902.**

1 **B. The credit shall be equal to the insurance policy premium paid for the**
2 **homeowner's insurance on a taxpayer's primary residence, not to exceed two**
3 **thousand dollars.**

4 **C.(1) If the credit is earned by a resident individual whose federal**
5 **adjusted gross income is equal to or less than twenty-five thousand dollars and**
6 **the credit exceeds the amount of the individual's income tax liability for the**
7 **taxable year, the excess tax credit shall constitute an overpayment, as defined**
8 **in R.S. 47:1621(A), and the secretary shall make a refund of such overpayment**
9 **from the current collections of the taxes imposed by this Chapter. The right to**
10 **a refund of any such overpayment shall not be subject to the requirements of**
11 **R.S. 47:1621(B).**

12 **(2) If the credit is earned by a resident individual whose federal adjusted**
13 **gross income is greater than twenty-five thousand dollars and the credit exceeds**
14 **the amount of the individual's income tax liability for the taxable period, the**
15 **excess tax credit may be carried forward as a credit against any subsequent**
16 **individual income tax liability for a period not to exceed five years.**

17 **D. Taxpayers claiming the credit shall maintain all documentation**
18 **necessary to verify the amount of insurance premium paid during the calendar**
19 **year for which a credit is claimed.**

20 **E. The secretary of the Department of Revenue may promulgate rules**
21 **in accordance with the Administrative Procedure Act to implement the**
22 **provisions of this Section.**

23 Section 2. This Act shall become effective on January 1, 2026, and shall be
24 applicable to taxable periods beginning on and after January 1, 2026.

