

2025 Regular Session

HOUSE BILL NO. 667

BY REPRESENTATIVES EMERSON, BAMBURG, BAYHAM, BILLINGS, FARNUM,
HENRY, MCMAHEN, ORGERON, AND WILDER

TAX/INCOME TAX: Reduces the rate of the individual income tax and authorizes an
income tax deduction for taxpayers sixty-five years of age and older

1 AN ACT

2 To amend and reenact R.S. 47:32(A) and to enact R.S. 47:293(9)(a)(xxvii) and 297.26,

3 relative to income tax; to provide for the calculation of the state tax levied on

4 individuals; to reduce the rate of the state income tax levied on individuals; to

5 authorize an individual income tax deduction for taxpayers sixty-five years of age

6 and older; to provide for the amount of the deduction; to provide for certain

7 requirements and limitations; to authorize the promulgation of rules and regulations;

8 to provide for applicability; to provide for an effective date; and to provide for

9 related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 47:32(A) is hereby amended and reenacted and R.S.
12 47:293(9)(a)(xxvii) and 297.26 are hereby enacted to read as follows:

13 §32. Rates of tax

14 A.(1) On individuals. ~~The~~ For taxable periods beginning before January 1,
15 2027, the tax to be assessed, levied, collected, and paid upon the taxable income of
16 an individual shall be computed at the rate of three percent on net income.

17 (2) For taxable periods beginning on or after January 1, 2027, the tax to be
18 assessed, levied, collected, and paid upon the taxable income of an individual shall

1 be computed at the rate of two and seventy-five one hundredths percent on net
2 income.

3 * * *

4 §293. Definitions

5 The following definitions shall apply throughout this Part, unless the context
6 requires otherwise:

7 * * *

8 (9)(a) "Tax table income", for resident individuals, means adjusted gross
9 income plus interest on obligations of a state or political subdivision thereof, other
10 than Louisiana and its municipalities, title to which obligations vested with the
11 resident individual on or subsequent to January 1, 1980, and less:

12 * * *

13 (xxvii) The deduction for taxpayers sixty-five years of age and older as
14 provided for in R.S. 47:297.26.

15 * * *

16 §297.26. Tax deduction; persons sixty-five years of age and older

17 A. In addition to the standard deduction authorized pursuant to the
18 provisions of R.S. 47:294, each Louisiana resident sixty-five years of age and older
19 shall be allowed a deduction from tax table income for an amount equal to the
20 amount of standard deduction applicable for single individuals as provided for in
21 R.S. 47:294.

22 B. A taxpayer claiming the deduction authorized pursuant to the provisions
23 of this Section shall maintain all records necessary to verify his eligibility and if
24 requested, shall provide the records to the Department of Revenue when filing the
25 taxpayer's tax return.

26 C. The secretary of the Department of Revenue may promulgate rules in
27 accordance with the Administrative Procedure Act to implement the provisions of
28 this Section, including rules related to the submission of documentation when
29 claiming the deduction.

1 Section 2. The provisions of this Act shall be applicable to all taxable periods
2 beginning on or after January 1, 2027.

3 Section 3. This Act shall take effect and become operative on January 1, 2027, if the
4 proposed amendment of Article VII of the Constitution of Louisiana contained in the Act
5 which originated as House Bill No. 678 of this 2025 Regular Session of the Legislature is
6 adopted at a statewide election and becomes effective.

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 667 Reengrossed

2025 Regular Session

Emerson

Abstract: Reduces the state individual income tax rate from 3% to 2.75% beginning Jan. 1, 2027, and authorizes an individual income tax deduction for La. taxpayers 65 years of age and older equal to the amount of the standard deduction for single individual filers (\$12,500).

Present law requires a state tax to be assessed, levied, collected, and paid upon the taxable income of an individual at the rate of 3% on net income.

Proposed law changes present law for taxable years beginning on or after Jan. 1, 2027, by reducing the flat rate of the state tax levied on net income of individuals from 3% to 2.75%.

Present law authorizes a standard deduction for resident taxpayers when determining a taxpayer's tax liability, the amount of which is dependent on the filing status of the taxpayer claiming the deduction. Present law provides that the amount of the standard deduction for single filers is \$12,500; however beginning Jan. 1, 2026, the amount of the standard deduction shall be adjusted annually by the percentage increase in the Consumer Price Index United States city average for all urban consumers (CPI-U), as reported by the U.S. Dept. of Labor, Bureau of Labor Statistics.

Proposed law retains present law.

Proposed law provides that in addition to the standard deduction, each La. resident 65 years of age and older shall be allowed an income tax deduction for an amount equal to the amount of the standard deduction applicable for single individual filers as provided for in present law.

Proposed law requires a taxpayer claiming the deduction to maintain all records necessary to verify his eligibility and if requested, to provide the records to the Dept. of Revenue (DOR) when filing the taxpayer's tax return.

Proposed law authorizes DOR to promulgate rules in accordance with the Administrative Procedure Act to implement the provisions of proposed law.

Proposed law is applicable to all taxable periods beginning on or after Jan. 1, 2027.

Effective Jan. 1, 2027, if the proposed amendment of Article VII of the Constitution of La. contained in the Act which originated as House Bill No. 678 of this 2025 R.S. of the Legislature is adopted at a statewide election and becomes effective.

(Amends R.S. 47:32(A); Adds R.S. 47:293(9)(a)(xxvii) and 297.26)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Add a reduction in the state tax levied on the net income of individuals beginning Jan. 1, 2027, from 3% to 2.75%.
2. Change the effective date of proposed law from Jan. 1, 2026 to Jan. 1, 2027, but only if the proposed amendment of Article VII of the Constitution of La. contained in the Act which originated as House Bill No. 472 of this 2025 R.S. of the Legislature is adopted at a statewide election and becomes effective.

The House Floor Amendments to the engrossed bill:

1. Change the bill reference to which the effectiveness of proposed law is tied from House Bill No. 472 to House Bill No. 678.