

2016 Second Extraordinary Session

HOUSE BILL NO. 7

BY REPRESENTATIVE STOKES

TAX/INCOME TAX: (Constitutional Amendment) Eliminates the income tax deduction for federal income taxes paid for purposes of computing individual income taxes and the references to the maximum amount of individual income tax rates and brackets (Items #39 & 43)

## 1 A JOINT RESOLUTION

2 Proposing to amend Article VII, Section 4(A) of the Constitution of Louisiana, relative to  
3 income provision contained in Act No. 31 of the 2016 First Extraordinary Session  
4 of the Legislature; to provide with respect to the rates and brackets for purposes of  
5 calculating individual income taxes; to establish the maximum rate for purposes of  
6 calculating individual income taxes; to provide with respect to the deductibility of  
7 federal income taxes paid for purposes of computing state individual income taxes;  
8 to provide for applicability; to provide for submission of the proposed amendment  
9 to the electors; and to provide for related matters.

10 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members  
11 elected to each house concurring, that there shall be submitted to the electors of the state of  
12 Louisiana, for their approval or rejection in the manner provided by law, a proposal to  
13 amend Article VII, Section 4(A) of the Constitution of Louisiana, to read as follows:

## 14 §4. Income Tax; Severance Tax; Political Subdivisions

15 Section 4.(A) Income Tax. Equal and uniform taxes may be levied on net  
16 incomes, and these taxes may be graduated according to the amount of net income.

17 However, the maximum state individual and joint income tax ~~schedule of rates and~~  
18 ~~brackets~~ rate shall ~~never exceed the rates and brackets set forth in Title 47 of the~~  
19 ~~Louisiana Revised Statutes on January 1, 2003~~ not exceed four and three-quarters



Proposed constitutional amendment changes present constitution by eliminating the deductibility of federal income taxes paid when computing individual income tax liability and eliminates references to the maximum amount of the individual income tax rates and brackets from the constitution in favor of limiting the maximum individual income tax rate to 4.75%.

Effective Jan. 1, 2017, and applicable to all tax years beginning on and after the effective date.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 8, 2016.

(Amends Const. Art. VII, §4(A))