

RÉSUMÉ DIGEST

ACT 352 (HB 555)

2017 Regular Session

Jackson

Existing law provides a deduction from corporation income amounts received as dividend income from certain La. banking corporations, national banking corporations, and from capital stock associations whose stock is subject to ad valorem taxation.

New law adds dividend income received by a regulated group of entities to the list of dividend income that may be deducted from corporation income.

New law defines "regulated group of entities" to mean a group made up of a parent entity and other legal entities when the parent entity owns a majority of either the vote or the value of stock, membership interest, partnership interest, or other ownership interest and in which either one of the following applies:

- (1) One or more of the members of the group is regulated by the La. Public Service Commission as either a telecommunications service provider and at least one of the members of the group has at anytime been party to a contract entered into under of contracts executed with the State Board of Commerce and Industry.
- (2) One or more of the members of the group is regulated by the Louisiana Public Service Commission as an electric utility.

New law defines "legal entities" to include but not be limited to corporations, limited liability companies, partnerships, or any other forms of business organizations.

New law is applicable to all taxable periods beginning on and after Jan. 1, 2018.

Effective January 1, 2018.

(Amends R.S. 47:287.71(B)(6))