

2021 Regular Session

SENATE BILL NO. 46

BY SENATOR LAMBERT

TAX/INCOME/PERSONAL. Increases the amount of compensation excluded from tax table income for certain active duty members of the armed forces. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 47:293(9)(e), relative to state individual income tax; to increase
3 the amount of the exclusion for certain income earned while on active duty with the
4 armed forces; to provide for effectiveness; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:293(9)(e) is hereby amended and reenacted to read as follows:

7 §293. Definitions

8 The following definitions shall apply throughout this Part, unless the context
9 requires otherwise:

10 * * *

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

15 * * *

16 (e) For tax years beginning after December 31, 2002, **and before January 1,**
17 **2022**, in the case of an individual who is on active duty as a member of the armed

1 forces of the United States, which full-time duty is or will be continuous and
 2 uninterrupted for one hundred twenty consecutive days or more, total compensation
 3 paid for services performed outside this state by the armed forces of the United
 4 States of up to thirty thousand dollars shall be excluded from "tax table income" and
 5 is hereby declared exempt from state income taxation. **For tax years beginning on**
 6 **or after January 1, 2022, the exclusion shall be up to fifty thousand dollars.**

7 * * *

8 Section 2. This Act shall become effective upon signature by the governor or, if not
 9 signed by the governor, upon expiration of the time for bills to become law without signature
 10 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 11 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 12 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Curry Lann.

DIGEST

SB 46 Original

2021 Regular Session

Lambert

Present law provides for a tax to be assessed, levied, collected, and paid upon the taxable income of resident and nonresident individuals. For purposes of calculating the tax, the term "tax table income" for resident individuals is defined to mean adjusted gross income less other specifically enumerated exemptions, deductions, and expenses.

Present law provides for an exclusion of up to \$30,000 from "tax table income" for compensation earned by an individual on active duty as a member of the armed forces of the U. S. for services performed outside this state. In order for the compensation to qualify for the exclusion, the services must be performed by the individual during continuous and uninterrupted full-time duty for 120 or more consecutive days.

Proposed law retains present law but increases the amount of the exclusion from \$30,000 to \$50,000, beginning January 1, 2022.

Effective upon the signature of the governor.

(Amends R.S. 47:293(9)(e))