

2022 Regular Session

HOUSE BILL NO. 917

BY REPRESENTATIVE BEAULLIEU

TAX/INCOME TAX: Reduces certain rates for purposes of calculating individual income tax liability and the tax liability for estates and trusts

1 AN ACT

2 To amend and reenact R.S. 47:32(A)(3) and 300.1(3), relative to the individual and fiduciary
3 income tax; to reduce certain rates for purposes of calculating individual and
4 fiduciary income tax liability; to provide for applicability; to provide for an effective
5 date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:32(A)(3) and 300.1(3) hereby amended and reenacted to read as
8 follows:

9 §32. Rates of tax

10 A. On individuals. The tax to be assessed, levied, collected, and paid upon
11 the taxable income of an individual shall be computed at the following rates:

12 * * *

13 (3) ~~Four and twenty-five one~~ Three and ninety-nine hundredths percent on
14 any amount of net income in excess of fifty thousand dollars of net income.

15 * * *

1 §300.1. Tax imposed

2 There is imposed an income tax for each taxable year upon the Louisiana
3 taxable income of every estate or trust, whether resident or nonresident. The tax to
4 be assessed, levied, collected, and paid upon the Louisiana taxable income of an
5 estate or trust shall be computed at the following rates:

6 * * *

7 (3) ~~Four and twenty-five one~~ Three and ninety-nine hundredths percent on
8 Louisiana taxable income in excess of fifty thousand dollars.

9 Section 2. The provisions of this Act shall be applicable to taxable periods beginning
10 on or after January 1, 2023.

11 Section 3. This Act shall become effective January 1, 2023.

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 917 Original 2022 Regular Session Beaulieu

Abstract: Reduces the highest rate for purposes of calculating individual income tax liability and the tax liability of estates and trusts from 4.25% to 3.99%.

Present law provides for a tax to be assessed, levied, collected, and paid upon the taxable income of an individual at the following rates:

- (1) 1.85% on the first \$12,500 of net income.
- (2) 3.5% on the next \$37,500 of net income.
- (3) 4.25% on net income in excess of \$50,000.

Proposed law retains the lowest and middle income tax rates set forth in present law but reduces the highest rate from 4.25% to 3.99% on net income in excess of \$50,000.

Present law requires the brackets provided for in present law to be doubled in the case of a joint return filed by a husband and wife.

Present law provides for a tax to be assessed, levied, collected, and paid on the La. taxable income of an estate or trust at the following rates:

- (1) 1.85% on the first \$10,000 of La. taxable income.
- (2) 3.5% on the next \$40,000 of La. taxable income.
- (3) 4.25% on La. taxable income in excess of \$50,000.

Proposed law retains the lowest and middle tax rates set forth in present law for estates and trusts but reduces the highest rate from 4.25% to 3.99% on La. taxable income in excess of \$50,000.

Proposed law is applicable to taxable periods beginning on or after Jan. 1, 2023.

Effective Jan. 1, 2023.

(Amends R.S. 47:32(A)(3) and 300.1(3))