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

SB 9 Original DIGEST Foil
2023 Regular Session

Present law levies a corporation franchise tax on domestic corporations and foreign corporations that exercising their charter, or qualified to do business or actually doing business in this state, or owning or using any part or all of their capital, plant, or any other property in this state.

Present law provides that the term "domestic corporation" includes business organizations organized under the laws of this state which have privileges, powers, rights, or immunities not possessed by individuals or partnerships.

Present law further provides that the term "domestic corporation" includes all entities taxed as corporations for federal income tax purposes.

Present law makes an exception for certain entities that would otherwise meet the definition of "domestic corporation" that are organized as limited liability companies (LLCs) that were qualified and eligible to file as a Subchapter S corporation or were acquired by an entity taxed as a Subchapter S corporation.

Proposed law provides for an additional exception for LLCs filing as a real estate investment trust (REIT) for federal income tax purposes if 100% of the LLC's common stock is owned by a tax-exempt organization provided that both the stock ownership and REIT filing requirements were met no later than July 1, 2023.

Effective upon the signature of the governor.

(Amends R.S. 47:601(C)(1)(intro para) and (c))