
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Thomas L. Tyler.

SB 19 Original DIGEST Allain
2023 Regular Session

Present law requires tax to be assessed, levied, collected, and paid on the La. taxable income of every corporation and to be computed at the following rates:

- (1) 3.5% on the first \$50,000 of La. taxable income.
- (2) 5.5% on La. taxable income above \$50,000 but not in excess of \$150,000.
- (3) 7.5% on all La. taxable income in excess of \$150,000.

Proposed law changes the corporate income tax brackets in present law and reduces the corporate income tax rates as follows:

- (1) 2% on the first \$50,000 of La. taxable income.
- (2) 4.75% on La. taxable income above \$50,000.

Present law provides for a tax credit for ad valorem taxes paid by the taxpayer to political subdivisions on inventory held by manufacturers, distributors, and retailers and on natural gas held, used, or consumed in providing natural gas storage services.

Present law provides that the tax credit is applicable against individual income tax, corporate income tax, and corporate franchise tax.

Proposed law retains the tax credit but limits the applicability of the credit to individual income tax.

Proposed law is applicable to corporate income and franchise tax periods beginning on or after Jan. 1, 2024, and to ad valorem taxes paid on or after Jan. 1, 2024.

Effective January 1, 2024.

(Amends R.S. 47:287.12, 6006(A), R.S. 47:6006(B)(1)(intro para), (B)(2), and (4))