

2023 Regular Session

HOUSE BILL NO. 52

BY REPRESENTATIVE MIKE JOHNSON

TAX CREDITS: Establishes an individual income tax credit for volunteer firefighters

1 AN ACT

2 To amend and reenact R.S. 47:293(7)(a), (9)(a)(xii), and (10), to enact R.S. 47:297.23, and
3 to repeal R.S. 47:293(7)(d), relative to individual income tax; to authorize an
4 individual income tax credit for certain volunteer firefighters and to repeal an income
5 tax deduction for those firefighters; to establish the volunteer firefighter tax credit
6 as a refundable credit; to provide for the amount of the credit; to provide for
7 qualifications for the credit; to provide for an effective date; and to provide for
8 related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 47:293(7)(a), (9)(a)(xii), and (10) are hereby amended and reenacted
11 and R.S. 47:297.23 is hereby enacted to read as follows:

12 §293. Definitions

13 The following definitions shall apply throughout this Part, unless the context
14 requires otherwise:

15 * * *

16 (7)(a) "The recreation volunteer ~~and volunteer firefighter~~ deduction", for the
17 purposes of this Part, means a deduction in the amount of five hundred dollars per
18 tax year for individuals who volunteer for recreation departments ~~and volunteer fire~~
19 ~~departments.~~

20 * * *

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

5 * * *

6 (xii) The recreation volunteer ~~and volunteer firefighter~~ deduction.

7 * * *

8 (10) "Tax table income", for nonresident individuals, means the amount of
9 Louisiana income, as provided in this Part, allocated and apportioned ~~under~~ in
10 accordance with the provisions of R.S. 47:241 ~~through 247~~ et seq., plus the total
11 amount of the personal exemptions and deductions already included in the tax tables
12 promulgated by the secretary under authority of R.S. 47:295, less the proportionate
13 amount of excess federal itemized personal deductions; the temporary teacher
14 deduction; the recreation volunteer ~~and volunteer firefighter~~ deduction; the
15 construction code retrofitting deduction; any gratuitous grant, loan, or other benefit
16 directly or indirectly provided to a taxpayer by a hurricane recovery entity if such
17 benefit was included in federal adjusted gross income; any gratuitous grant, loan,
18 rebate, tax credit, advance refund, or other qualified disaster relief benefit directly
19 or indirectly provided to a taxpayer by the state or federal government as a
20 COVID-19 relief benefit as defined in R.S. 47:297.16 if the benefit was included in
21 the taxpayer's federal adjusted gross income; the exclusion provided for in R.S.
22 47:297.3 for S Bank shareholders; the deduction for expenses disallowed by 26
23 U.S.C. 280C; salaries, wages, or other compensation received for disaster or
24 emergency-related work rendered during a declared state disaster or emergency;
25 wages of nonresident individuals who are eligible for the mobile workforce
26 exemption pursuant to R.S. 47:248; the deduction for net capital gains; the
27 pass-through entity exclusion provided in R.S. 47:297.14; the exemption for military
28 survivor benefit plan payments pursuant to R.S. 47:297.17; and personal exemptions
29 and deductions provided for in R.S. 47:294. The proportionate amount is to be

1 determined by the ratio of Louisiana income to federal adjusted gross income. When
2 federal adjusted gross income is less than Louisiana income, the ratio shall be one
3 hundred percent.

4 * * *

5 §297.23. Tax credit; volunteer firefighters

6 A.(1) There shall be allowed a credit against the tax imposed by this Chapter
7 for an individual who volunteers as a firefighter at a volunteer fire department and
8 meets the qualifications provided in this Subsection.

9 (2) In order to be eligible for the tax credit, an individual claiming the credit
10 shall meet all of the following qualifications:

11 (a) He is a Louisiana taxpayer.

12 (b) He completed within the tax year no fewer than twenty-four hours of
13 firefighter continuing education.

14 (c) He is an active member of the Louisiana State Firemen's Association or
15 is on the departmental personnel roster of the Volunteer Firefighter Insurance
16 Program of the office of state fire marshal.

17 (3) The amount of the credit shall equal one thousand dollars per tax year in
18 which the taxpayer meets the qualifications provided in this Subsection.

19 B. If the amount of the credit authorized by this Section exceeds the amount
20 of the taxpayer's tax liability for the taxable year, the excess tax credit amount shall
21 constitute an overpayment as defined in R.S. 47:1621(A), and the secretary shall
22 make a refund of the overpayment from the current collections of the taxes imposed
23 pursuant to this Chapter. The right to a refund shall not be subject to the
24 requirements of R.S. 47:1621(B).

25 Section 2. R.S. 47:293(7)(d) is hereby repealed in its entirety.

26 Section 3. This Act shall become effective on January 1, 2024.

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 52 Original

2023 Regular Session

Mike Johnson

Abstract: Establishes a refundable personal income tax credit for volunteer firefighters in the amount of \$1,000 annually and repeals an annual \$500 tax deduction for those firefighters.

Present law authorizes a personal income tax deduction in the amount of \$500 annually for individuals who volunteer for volunteer fire departments. Provides for qualifications for the deduction.

Proposed law repeals present law establishing the volunteer firefighter income tax deduction and authorizes in lieu thereof a personal income tax credit for those firefighters in the amount of \$1,000 annually.

Proposed law requires that in order to be eligible for the volunteer firefighter tax credit, an individual claiming the credit shall be a La. taxpayer and, in addition, shall meet the following qualifications (which substantially replicate the qualifications for the volunteer firefighter tax deduction provided in present law):

- (1) The individual completes within the tax year no fewer than 24 hours of firefighter continuing education.
- (2) The individual is an active member of the La. State Firemen's Association or is on the departmental personnel roster of the Volunteer Firefighter Insurance Program of the office of state fire marshal.

Proposed law provides that if the amount of the credit exceeds the taxpayer's tax liability for the taxable year, the excess credit amount shall constitute an overpayment and the Dept. of Revenue shall refund the overpayment to the taxpayer, thereby creating the volunteer firefighter income tax credit as a refundable credit.

Effective Jan. 1, 2024.

(Amends R.S. 47:293(7)(a), (9)(a)(xii), and (10); Adds R.S. 47:297.23; Repeals R.S. 47:293(7)(d))