
DIGEST

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HB 243 Original

2023 Regular Session

Tarver

Abstract: Authorizes a one-time refundable income tax credit for La. residents who file La. individual income tax returns which reflect adjusted gross income of less than \$150,000 for the 2022 tax year.

Proposed law establishes a one-time refundable individual income tax credit for La. residents required to file La. individual income tax returns for tax year 2022. In order to be eligible for the credit, the resident's adjusted gross income as defined in present law as reported on the resident's 2022 La. individual income tax return must be less than \$150,000. The amount of the credit shall be as follows:

- (1) \$125 for a La. resident whose adjusted gross income is less than \$100,000.
- (2) \$100 for a La. resident whose adjusted gross income is \$100,000 or more but less than \$125,000.
- (3) \$75 for a La. resident whose adjusted gross income is \$125,000 or more but less than \$150,000.
- (4) No credit is authorized for a La. resident with an adjusted gross income of \$150,000 or more.

Proposed law provides that in the case of a joint return filed by La. residents who are husband and wife, both the husband and wife shall each qualify for a credit in the amount eligible based on their adjusted gross income as provided in proposed law.

Proposed law authorizes the amount of the one-time credit to be increased by \$125 per dependent claimed by the La. resident on the resident's La. individual income tax return for tax year 2022 for up to a maximum of two dependents.

Proposed law provides that if the La. resident's La. individual income tax return for tax year 2022 has not been filed at the time of applying for the credit, the La. individual income tax return for tax year 2021 may be used in lieu of the 2022 La. individual income tax return to determine eligibility and the amount of the credit.

Proposed law limits the total amount of credit issued to \$300M. Credits shall be granted on a first-come, first-served basis. All requests received on the same business day shall be treated as received at the same time, and if the aggregate amount of the requests received on a single business

day exceeds the total amount of available credits, credits shall be approved on a pro rata basis.

Proposed law provides that if the amount of the tax credit earned exceeds the total tax liability of a taxpayer in the taxable year, the amount of the credit not used as an offset against the taxpayer's tax liability shall constitute an overpayment and shall be paid to the taxpayer from the current collections of income taxes.

Proposed law authorizes the secretary to promulgate rules in accordance with the Administrative Procedure Act, including emergency rules as deemed necessary to implement the provisions of proposed law.

Proposed law limits the claiming of the credit authorized in proposed law to individual tax returns filed for tax years 2022 or 2023.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 47:297.23)