The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Danielle B. Clapinski.

DIGEST 2023 Regular Session

Luneau

<u>Present law</u> provides for an individual income tax credit based on the taxpayer's federal earned income tax credit authorized under the Internal Revenue Code. The amount of the credit is 5% of the amount of the taxpayer's federal earned income tax credit through December 31, 2025. Beginning January 1, 2026, the amount of the credit is 3.5% of the amount of the taxpayer's federal earned income tax credit.

<u>Proposed law</u> increases the amount of the state credit <u>from</u> 5% <u>to</u> 10% of the amount of the taxpayer's federal tax credit and eliminates the mandatory decrease in the amount of the credit in 2026, thereby making the 10% permanent.

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

(Amends R.S. 47:297.8(A))

SB 226 Original