

2026 Regular Session

HOUSE BILL NO. 633

BY REPRESENTATIVE BACALA

TAX RETURN: Modifies statutory timelines, penalty calculations, and exceptions for penalties for the payment of certain estimated taxes

1 AN ACT

2 To amend and reenact R.S. 47:118(C)(1), (D)(introductory paragraph), (1)(introductory  
3 paragraph) and (b), and (2), 287.655(C)(1), (D)(2) and (3), and (G)(introductory  
4 paragraph) and (1), and 287.656(A)(1) and (2)(introductory paragraph) and to repeal  
5 R.S. 47:118(D)(1)(c), relative to estimated income tax; to calculate the period of  
6 underpayment; to assess penalties for an excessive adjustment; to modify  
7 requirements to apply for an adjustment for overpayment; to repeal certain  
8 calculations for exemptions from a penalty for an underpayment; to provide for  
9 applicability; to provide an effective date; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 47:118(C)(1), (D)(introductory paragraph), (1)(introductory  
12 paragraph) and (b), and (2), 287.655(C)(1), (D)(2) and (3), and (G)(introductory paragraph)  
13 and (1), and 287.656(A)(1) and (2)(introductory paragraph) are hereby amended and  
14 reenacted to read as follows:

15 §118. Failure by individual to pay estimated income tax; penalty

16 \* \* \*

17 C. Period of underpayment. The period of the underpayment shall run from  
18 the date the installment was required to be paid to whichever of the following dates  
19 is earlier:



1 C. Period of underpayment. The period of the underpayment shall run from  
2 the date the installment was required to be paid to whichever of the following dates  
3 is the earlier:

4 (1) The ~~15th~~ fifteenth day of the ~~fourth~~ fifth month following the close of the  
5 taxable year.

6 \* \* \*

7 D. Exception. Notwithstanding the provisions of the preceding Subsections,  
8 the penalty imposed with respect to any underpayment of any installment shall not  
9 be imposed if the total amount of all payments of estimated tax made on or before  
10 the last date prescribed for payment of such installment equals or exceeds the amount  
11 which would have been required to be paid on or before such date, if the estimated  
12 tax were whichever of the following is the lesser:

13 \* \* \*

14 (2) An amount equal to the tax computed at the ~~rates~~ rate applicable to the  
15 taxable year but otherwise on the basis of the acts shown on the return of the  
16 corporation for, and the law applicable to, the preceding taxable year.

17 (3)~~(a)~~ An amount equal to eighty percent of the tax for the taxable year,  
18 ~~computed by placing on an annualized basis the taxable income:~~

19 ~~(i) for the first three months of the taxable year, in the case of the installment~~  
20 ~~required to be paid in the fourth month,~~

21 ~~(ii) for the first three months or for the first six months of the taxable year,~~  
22 ~~in the case of the installment required to be paid in the sixth month of the taxable~~  
23 ~~year,~~

24 ~~(iii) for the first six months or the first eight months of the taxable year in the~~  
25 ~~case of the installment required to be paid in the ninth month, and~~

26 ~~(iv) for the first nine months or for the first eleven months of the taxable~~  
27 ~~year, in the case of the installment to be paid in the twelfth month of the taxable year.~~

28 ~~(b) For purposes of this Paragraph, the taxable income shall be placed on an~~  
29 ~~annualized basis by~~



1 Section 4. This Act shall become effective upon signature by the governor or, if not  
 2 signed by the governor, upon expiration of the time for bills to become law without signature  
 3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 4 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 5 effective on the day following such approval.

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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)]

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HB 633 Engrossed

2026 Regular Session

Bacala

**Abstract:** Changes filing deadlines for estimated taxes from the 15<sup>th</sup> day of the fourth month to the 15<sup>th</sup> day of the *fifth* month and repeals certain calculations exempting taxpayers from the penalty imposed for failure to pay or underpay estimated tax.

Present law applies a 12% per year penalty on the amount of underpaid estimated taxes in addition to the tax owed by an individual or corporation for the period of the underpayment. Further provides that the period of the underpayment commences on the date the installment is required to be paid to the earlier of either the 15<sup>th</sup> day of the fourth month following the close of the taxable year or the date on which any portion of the underpayment is paid.

Present law imposes a penalty on corporate income filers if the amount of an adjustment made on or before the 15<sup>th</sup> day of the fourth month following the close of the taxable year is excessive.

Present law authorizes a corporation to file an application for an adjustment of an overpayment of estimated tax after the close of the taxable year and on or before the 15<sup>th</sup> day of the fourth month thereafter, but before the day on which a return is filed for that taxable year.

Proposed law retains present law, but changes the filing deadlines from the 15<sup>th</sup> day of the fourth month to the 15<sup>th</sup> day of the *fifth* month.

Present law exempts an individual taxpayer from the penalty imposed for underpayment of estimated individual income tax if the individual taxpayer is not required to file an estimated tax declaration or if the total amount of payments of estimated tax equals or exceeds one of several calculations, including but not limited to an amount equal to the tax computed in accordance with the rates, the tax computed on the basis of rates and the taxpayer's filing status, or 90% of the tax computed on an annualized basis.

Proposed law changes references in present law with respect to the calculations for qualifying for the exemption from the penalty for underpayment of income taxes to a single income tax rate and the standard deduction.

Proposed law repeals the present law calculation based on the annualized basis computation.

Present law exempts corporate filers from the penalty imposed for underpayment of estimated corporation tax if the total amount of payments of estimated tax equals or exceeds one of several calculations, including but not limited to 80% of the tax, computed by placing taxable income on an annualized basis.

Proposed law repeals the present law calculation based on the annualized basis computation, but retains the present law exception for payment of an estimated tax amount equal to 80% of the current year tax.

Proposed law applies to taxable periods beginning on or after Jan. 1, 2026.

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

(Amends R.S.47:118(C)(1), (D)(intro. para.), (1)(intro. para.) and (b), and (2), 287.655(C)(1), (D)(2) and (3), and (G)(intro. para.) and (1), and 287.656(A)(1) and (2)(intro. para.); Repeals R.S. 47:118(D)(1)(c))

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Update statutory language in present law relative to the exemption from the penalty for underpayment of taxes by changing references in present law with respect to the calculation of the taxes owed to the standard deduction and to a single income tax rate.
2. Make technical changes.