

First Extraordinary Session, 2005

SENATE BILL NO. 34

BY SENATOR DARDENNE

TAX/TAXATION. Provides that the federal income tax deduction for individuals will not be reduced by any federal disaster relief tax credits, which includes deductions limiting loss of property arising from a disaster and any other tax benefit determined by the secretary of the Department of Revenue. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 47:293(3), relative to income tax of individuals; to provide that  
3 the Louisiana federal income tax deduction shall not be reduced by the amount of  
4 certain federal disaster relief tax credits; to define such credits; and to provide for  
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:293(3) is hereby amended and reenacted to read as follows:

8 §293. Definitions

9 The following definitions shall apply throughout this Part, unless the context  
10 requires otherwise:

11 \* \* \*

12 (3) "Federal income tax liability," for the purpose of this Part, means the total  
13 amount of tax due to the United States for the taxable period on the individual  
14 income tax return required to be filed by any taxpayer, except that:

15 (a) Social security taxes and self-employment taxes shall not be included.

16 (b) The federal income tax liability shall be increased by any federal  
17 disaster relief tax credits. For purposes of this Subparagraph, "federal disaster

1 **relief tax credits" means all of the following:**

2 **(i) Any credit which is a disaster relief tax credit.**

3 **(ii) Any deduction which operates to limit or relieve an individual of any**  
4 **loss of property by the individual arising from events happening in a disaster.**

5 **(iii) Any other tax benefit which the secretary determines is a disaster**  
6 **relief tax credit.**

7 \* \* \*

8 Section 2. This Act shall be effective for all taxable periods beginning after  
9 December 31, 2004.

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

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The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Riley Boudreaux.

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DIGEST

Proposed law provides that the federal income tax deduction for individuals will not be reduced by the amount of "federal disaster relief tax credits." "Federal disaster relief tax credits" is defined as all of the following:

- (1) Any credit which is a disaster relief tax credit.
- (2) Any tax deduction which operates to limit or relieve an individual of any loss of property by the individual arising from events happening in a disaster.
- (3) Any other tax benefit which the secretary determines is a disaster relief tax credit.

Effective for taxable periods beginning after December 31, 2004.

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

(Amends R.S. 47:293(3))