

First Extraordinary Session, 2005

HOUSE BILL NO. 41

BY REPRESENTATIVES HAMMETT, PINAC, ARNOLD, BALDONE, DARTEZ, FARRAR, FAUCHEUX, HEATON, HILL, MONTGOMERY, ODINET, SCALISE, JANE SMITH, TOWNSEND, TUCKER, ALARIO, ALEXANDER, ANSARDI, BEARD, BOWLER, BRUCE, BURNS, CAZAYOUX, CRANE, CRAVINS, CROWE, CURTIS, DAMICO, DANIEL, DEWITT, DOERGE, DORSEY, DOVE, DOWNS, DURAND, ERDEY, FANNIN, FRITH, GEYMANN, GLOVER, GREENE, E. GUILLORY, M. GUILLORY, HARRIS, HEBERT, HONEY, HOPKINS, HUTTER, JACKSON, JOHNS, KATZ, KENNARD, KENNEY, KLECKLEY, LABRUZZO, LAMBERT, LANCASTER, MARTINY, MCDONALD, MCVEA, MORRELL, PIERRE, PITRE, M. POWELL, T. POWELL, QUEZAIRE, RICHMOND, RITCHIE, ROBIDEAUX, SALTER, SMILEY, GARY SMITH, JACK SMITH, JOHN SMITH, ST. GERMAIN, STRAIN, THOMPSON, TOOMY, TRAHAN, WADDELL, WALKER, WALSWORTH, WHITE, WINSTON, WOOTON, AND WRIGHT AND SENATORS HEITMEIER, HINES, MOUNT, ADLEY, AMEDEE, BAJOIE, BARHAM, BOASSO, BROOME, CAIN, CHAISSON, CHEEK, DARDENNE, DUPLESSIS, ELLINGTON, FIELDS, FONTENOT, N. GAUTREAUX, HOLLIS, JACKSON, KOSTELKA, MALONE, MCPHERSON, MICHOT, MURRAY, NEVERS, QUINN, ROMERO, SCHEDLER, SHEPHERD, SMITH, THEUNISSEN, AND ULLO

1 AN ACT

2 To amend and reenact R.S. 47:609(A), relative to the corporation franchise tax; to provide  
3 for the computation of borrowed capital which includes extraordinary debt incurred  
4 by corporations directly affected by Hurricanes Katrina and Rita; to provide for an  
5 effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:609(A) is hereby amended and reenacted to read as follows:

8 §609. Due date, payment and reporting of tax

9 A.(1) The tax levied by this Chapter is for the annual accounting period,  
10 fiscal, or calendar year, regularly used by the taxpayer in keeping its books, with no  
11 proration for a portion of the year in the case of dissolution of domestic corporations  
12 or withdrawal from the state by foreign corporations, or where a corporation  
13 otherwise ceases to become taxable under this Chapter. The tax is due on the first  
14 day of each calendar or fiscal year and annually thereafter, and, except as provided

1           for in Paragraph (2) of this Subsection, is computed on the basis of the previous  
 2           calendar or fiscal year closing. The tax is payable to the secretary on or before the  
 3           fifteenth day of the third month following the month in which the tax is due.  
 4           However, if the day on which the tax is payable falls on a Saturday, Sunday, or legal  
 5           holiday, the tax shall be payable on the next business day. With its payment the  
 6           taxpayer shall deliver to the secretary a full, accurate, and complete report and  
 7           statement signed by a duly authorized official of the corporation, containing such  
 8           information as the secretary may require.

9                     (2)(a) For taxable periods beginning after August 28, 2005, a corporation  
 10                    that incurred extraordinary debt as a result of a gubernatorially declared disaster of  
 11                    2005 may elect to compute its borrowed capital on the basis of the calendar or fiscal  
 12                    year closing immediately prior to August 28, 2005, if it meets either of the following  
 13                    conditions:

14                    (i) Fifty percent or more of the corporation's revenue derived in the state for  
 15                    the fiscal year closing immediately prior to August 28, 2005, was directly  
 16                    attributable to one or more Hurricane Katrina or Hurricane Rita Federal Emergency  
 17                    Management Agency Individual Assistance Areas.

18                    (ii) Fifty percent or more of the corporation's property and assets in the state  
 19                    were situated or used in one or more Hurricane Katrina or Hurricane Rita Federal  
 20                    Emergency Management Agency Individual Assistance Areas on the date of the  
 21                    calendar or fiscal year closing immediately prior to August 28, 2005.

22                    (b) Extraordinary debt incurred as a result of a gubernatorially declared  
 23                    disaster of 2005 means any borrowed capital of a corporation to which Item (2)(a)(i)  
 24                    or (ii) applies that is in excess of the borrowed capital on that corporation's books on  
 25                    the calendar or fiscal year closing immediately prior to August 28, 2005.

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27           Section 2. This Act shall become effective upon signature of the governor or, if not  
 28           signed by the governor, upon expiration of the time for bills to become law without signature  
 29           by the governor, as provided in Article III, Section 18 of the Constitution of Louisiana. If

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
2 effective on the day following such approval.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_