

Prior law provides that the deduction from state income taxes for federal income tax is the amount due to the federal government after all federal credits.

New law provides that for taxable years beginning in 2005, the federal income tax deduction from state income taxes allowed for individuals, estates and trusts, and corporations will not be reduced by the amount of federal disaster relief credits and any disaster-related casualty loss deductions that were determined by the secretary to be incurred by the hurricanes.

New law provides that any determinations made by the secretary as to rules and regulations shall be approved by the Senate Revenue and Fiscal Affairs Committee and the House Committee on Ways and Means meeting jointly.

Effective for taxable periods beginning after December 31, 2004.

(Amends R.S. 47:287.85(C)(2) and 293(3))