
DIGEST

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Ritchie

HB No. 379

Abstract: Repeals the corporation franchise tax and all provisions relative to determining taxable capital, capital stock, and surplus and undivided profits for purposes of levying the tax, exemptions, refunds, and credits from the tax, and provisions relative to the payment, collection, and reporting of such tax.

Present law requires every domestic corporation and every foreign corporation, exercising its charter, or qualified to do business or actually doing business in this state, or owning or using any part or all of its capital, plant, or any other property in this state, to pay an annual tax at the rate of \$1.50 for each \$1,000 on the first \$300,000 of taxable capital and at the rate of \$3 for each \$1,000 exceeding \$300,000 of taxable capital.

Present law defines "taxable capital", "capital stock", and "surplus and undivided profits" for purposes of levying the tax. Further provides for a general allocation formula relative to allocation of taxable capital and for certain exemptions from the tax.

Present law provides for payment, collection, and reporting of the corporation franchise tax as well as refunds and credits for overpayments of such tax.

Proposed law repeals present law.

Effective Jan. 1, 2014, and shall be applicable to all taxable periods beginning on and after Jan. 1, 2014.

(Repeals R.S. 47:601-618)