

2015 Regular Session

HOUSE BILL NO. 575

BY REPRESENTATIVE STOKES

TAX/CORP INCOME: Provides relative to the state tax levied on corporation income

1 AN ACT

2 To amend and reenact R.S. 47:32(C), relative to rates of tax; to provide for a flat state tax
3 levied on corporation income; and to provide for related matters.

4 Be it enacted by the Legislature of Louisiana:

5 Section 1. R.S. 47:32(C) is hereby amended and reenacted to read as follows:

6 §32. Rates of tax

7 * * *

8 C. On corporations. The tax to be assessed, levied, collected, and paid upon
9 the net income of every corporation shall be computed at the rate of: five percent of
10 net income.

11 ~~(1) Four percentum upon the first twenty-five thousand dollars of net~~
12 ~~income.~~

13 ~~(2) Five percentum upon the amount of net income above twenty-five~~
14 ~~thousand dollars but not in excess of fifty thousand dollars.~~

15 ~~(3) Six percentum on the amount of net income above fifty thousand dollars~~
16 ~~but not in excess of one hundred thousand dollars.~~

17 ~~(4) Seven percentum on the amount of net income above one hundred~~
18 ~~thousand dollars but not in excess of two hundred thousand dollars.~~

19 ~~(5) Eight percentum on all net income in excess of two hundred thousand~~
20 ~~dollars.~~

1 Section 2. This Act shall take effect and become operative if and when the proposed
 2 amendment of Article VII of the Constitution of Louisiana contained in the Act which
 3 originated as House Bill No. _____ of this 2015 Regular Session of the Legislature is adopted
 4 at a statewide election and becomes effective.

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)]

HB 575 Original

2015 Regular Session

Stokes

Abstract: Modifies the corporate tax rate for state tax levied on corporation income from a tiered rate schedule to a flat 5% rate.

Present law provides the following tax rate for corporate income:

- (1) Four percentum upon the first twenty-five thousand dollars of net income.
- (2) Five percentum upon the amount of net income above twenty-five thousand dollars but not in excess of fifty thousand dollars.
- (3) Six percentum on the amount of net income above fifty thousand dollars but not in excess of one hundred thousand dollars.
- (4) Seven percentum on the amount of net income above one hundred thousand dollars but not in excess of two hundred thousand dollars.
- (5) Eight percentum on all net income in excess of two hundred thousand dollars.

Proposed law eliminates the tiered tax rate schedule and provides a flat 5% tax on corporate income.

Effective when the proposed amendment of Art. VII of the La. Const. contained in the Act that originated as House Bill No. _____ of this 2015 Regular Session of the Legislature is adopted and becomes effective.

(Amends R.S. 47:32(C))