2016 First Extraordinary Session

HOUSE BILL NO. 97

BY REPRESENTATIVE LYONS

TAX CREDITS: Increases the amount of the earned income tax credit (Item #26)

AN ACT

To amend and reenact R.S. 47:297.8(A), relative to individual income tax; to provide with respect to the earned income tax credit; to increase the amount of the tax credit; to provide for applicability of the tax credit; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:297.8(A) is hereby amended and reenacted to read as follows:

§297.8. Earned income tax credit

A. There shall be a credit against the tax imposed by this Chapter for individuals in an amount equal to ~~three and one-half~~ five percent of the federal earned income tax credit for which the individual is eligible for the taxable year under Section 32 of the Internal Revenue Code.

* * *

Section 2. The provisions of this Act shall be applicable for taxable years beginning on and after January 1, 2016.

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

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)]

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Abstract: For purposes of individual income tax, increases the amount of the La. earned income tax credit from 3.5% to 5% of the amount of the taxpayer's federal earned income tax credit.

Present law provides for an individual income tax credit in an amount equal to 3.5% of the amount of the taxpayer's federal earned income tax credit authorized under Section 32 of the Internal Revenue Code.

Proposed law increases the amount of the state tax credit from 3.5% to 5% of the federal tax credit.

Applicable for taxable years beginning on and after January 1, 2016.

(Amends R.S. 47:297.8(A))

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