

2017 Regular Session

SENATE BILL NO. 240

BY SENATOR RISER

TAX/INCOME/PERSONAL. Exempts flood or tornado victims from paying state individual income tax for the 2017 tax year. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 47:293(10) and to enact R.S. 47:293(9)(a)(xviii) and 297.14,
3 relative to individual income tax exemptions; to provide for an exemption from
4 individual income tax for certain taxpayers who suffered losses due to a flood or
5 tornado in 2016; to provide for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:293(10) is hereby amended and reenacted and R.S.
8 47:293(9)(a)(xviii) and 297.14 are hereby enacted to read as follows:

9 §293. Definitions

10 The following definitions shall apply throughout this Part, unless the context
11 requires otherwise:

12 * * *

13 (9)(a) "Tax table income", for resident individuals, means adjusted gross
14 income plus interest on obligations of a state or political subdivision thereof, other
15 than Louisiana and its municipalities, title to which obligations vested with the
16 resident individual on or subsequent to January 1, 1980, and less:

17 * * *

1 **(xviii) For tax years beginning during 2017 only, the exemption for**
 2 **taxpayers incurring flood or tornado related casualty losses provided pursuant**
 3 **to R.S. 47:297.14.**

4 * * *

5 (10) "Tax table income", for nonresident individuals, means the amount of
 6 Louisiana income, as provided in this Part, allocated and apportioned under the
 7 provisions of R.S. 47:241 through 247, plus the total amount of the personal
 8 exemptions and deductions already included in the tax tables promulgated by the
 9 secretary under authority of R.S. 47:295, less the proportionate amount of the federal
 10 income tax liability, excess federal itemized personal deductions, the temporary
 11 teacher deduction, the recreation volunteer and volunteer firefighter deduction, the
 12 construction code retrofitting deduction, any gratuitous grant, loan, or other benefit
 13 directly or indirectly provided to a taxpayer by a hurricane recovery entity if such
 14 benefit was included in federal adjusted gross income, the exclusion provided for in
 15 R.S. 47:297.3 for S Bank shareholders, the deduction for expenses disallowed by
 16 I.R.C. Section 280C, the deduction for net capital gains, **the 2017 exemption for**
 17 **taxpayers incurring flood or tornado related casualty losses provided pursuant**
 18 **to R.S. 47:297.14,** and personal exemptions and deductions provided for in R.S.
 19 47:294. The proportionate amount is to be determined by the ratio of Louisiana
 20 income to federal adjusted gross income. When federal adjusted gross income is less
 21 than Louisiana income, the ratio shall be one hundred percent.

22 * * *

23 **§297.14. Exemption from income for 2017; income of taxpayers incurring flood**
 24 **or tornado related casualty losses**

25 **A. For tax years beginning in 2017 only, there shall be allowed an**
 26 **exemption from income for all individual income taxpayers who incurred ten**
 27 **thousand dollars or more of casualty losses arising from a flood or tornado for**
 28 **which a major disaster was declared in this state in 2016.**

29 **B. The amount of the exemption from income shall be fifty thousand**

Proposed law provides that this exemption is available whether or not the taxpayer received any type of compensation for the flood or tornado related casualty losses.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 47:293(10); adds R.S. 47:293(9)(a)(xviii) and 297.14)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Adds tornados to the disasters to which the deduction applies.
2. Extends deduction to losses incurred through February 28, 2017.