
HOUSE COMMITTEE AMENDMENTS

2017 Regular Session

Amendments proposed by House Committee on Ways and Means to Original House Bill No. 355 by Representative Ivey

1 AMENDMENT NO. 1

2 On page 1, line 2, after "79," delete the remainder of the line in its entirety and insert "the"

3 AMENDMENT NO. 2

4 On page 1, line 4, after "287.12," and before "293(3)(introductory)" delete "287.86(A)," and
5 insert "287.61, 287.86(A), (B), and (C)(2),"

6 AMENDMENT NO. 3

7 On page 1, line 5, after "306(A)(3)(a)," and before "633(7)(a)" insert "601(A), (B), and
8 (C)(2),"

9 AMENDMENT NO. 4

10 On page 1, line 7, after "R.S. 47:293(9)(a)(xviii)" and before "and 6007(C)(1)(d)(ii)," delete
11 "and 6006(D)(6)" and insert "611(C), 6006(D)(6),"

12 AMENDMENT NO. 5

13 On page 1, line 8, after "R.S. 47:34," and before "287.73(C)(4)," insert the following:

14 "Subpart D of Part II of Chapter 1 of Subtitle II of Title 47 of the Louisiana Revised
15 Statutes of 1950, comprised of R.S. 47:201 through 220.3,"

16 AMENDMENT NO. 6

17 On page 1, delete line 9 in its entirety and at the beginning of line 10 delete "comprised of
18 R.S. 47:601 through 618,"

19 AMENDMENT NO. 7

20 On page 2, line 15, after "tax;" and before "to repeal" insert "to extend the allowable
21 carryover period; to provide for the order of loss years from which a net operating loss may
22 be carried over;"

23 AMENDMENT NO. 8

24 On page 2, line 19, after "taxes;" delete the remainder of the line in its entirety and insert the
25 following:

26 "relative to the corporate franchise tax; to provide for the rate of the corporate
27 franchise tax; to provide for a reduction and eventual elimination of the corporate
28 franchise tax; to prohibit the levy of an initial tax under certain circumstances; to
29 repeal certain corporate income tax provisions relative to partnerships; to provide
30 relative"

31 AMENDMENT NO. 9

32 On page 4, delete lines 15 through 26 in their entirety and on page 5, delete line 1 in its
33 entirety

1 AMENDMENT NO. 10

2 On page 5, at the beginning of line 14, delete "Section 5." and insert "Section 4."

3 AMENDMENT NO. 11

4 On page 11, at the beginning of line 9, delete "Section 6." and insert "Section 5."

5 AMENDMENT NO. 12

6 On page 16, at the beginning of line 10, delete "Section 7. R.S. 47:287.86(A) is" and insert
7 "Section 6. R.S. 47:287.86(A), (B), and (C)(2) are"

8 AMENDMENT NO. 13

9 On page 16, delete line 14 in its entirety and insert "relating to any taxable year beginning
10 before January 1, 2018, there shall be allowed for"

11 AMENDMENT NO. 14

12 On page 16, at the end of line 22, insert the following:

13 "Any amount of net operating loss in excess of the amounts allowed pursuant
14 to this Subsection may be carried over in the manner provided for in
15 Subsection B of this Section."

16 AMENDMENT NO. 15

17 On page 16, at the end of line 27, delete "the amount of net operating" and delete line 28 and
18 on page 17, delete lines 1 and 2 in their entirety and insert the following:

19 "the deduction shall be limited and shall not exceed fifty percent of Louisiana
20 net income for the taxable year."

21
22 AMENDMENT NO. 16

23 On page 17, delete lines 5 through 7 in their entirety and insert the following:

24 "million dollars, the deduction shall be limited and shall not exceed sixty
25 percent of Louisiana net income for the taxable year."

26 AMENDMENT NO. 17

27 On page 17, delete lines 10 through 12 in their entirety and insert the following:

28 "deduction shall be limited and shall not exceed seventy percent of Louisiana
29 net income for the taxable year."

30
31 AMENDMENT NO. 18

32 On page 17, delete lines 15 through 17 in their entirety and insert the following:

33 "deduction shall be limited and shall not exceed eighty percent of Louisiana
34 net income for the taxable year."

35 AMENDMENT NO. 19

36 On page 17, delete lines 20 through 22 in their entirety and insert the following:

1 "deduction shall be limited and shall not exceed ninety percent of Louisiana
2 net income for the taxable year."

3
4 AMENDMENT NO. 20

5 On page 17, line 24, after "dollars," delete the remainder of the line and delete lines 25
6 through 27 in their entirety and insert the following:

7 "the deduction shall be limited and shall not exceed the amount of Louisiana
8 net income for the taxable year.

9 B. Net operating loss ~~carrybacks and~~ carryovers. (1) For all claims
10 for this deduction on any return filed on or after July 1, 2015, regardless of
11 the taxable year to which the return relates relating to any taxable year
12 beginning before January 1, 2017, the taxable years to which a Louisiana net
13 loss may be carried shall be a net operating loss carryover to each of the
14 twenty taxable years following the taxable year of such loss.

15 (2) For taxable years beginning on or after January 1, 2018, the
16 taxable years to which a Louisiana net loss may be carried shall be a net
17 operating loss carryover to each of the thirty taxable years following the
18 taxable year of such loss.

19 C. Manner and amount of carryovers. For all claims for this
20 deduction on any return filed on or after July 1, 2015, regardless of the
21 taxable year to which the return relates, the entire amount of Louisiana net
22 loss for any taxable year, hereinafter the "loss year", shall be carried over to
23 the earliest of the taxable years allowed. The portion of such loss which shall
24 be carried to each of the other taxable years allowed by Subsection B shall
25 be the excess, if any, of the amount of such loss over the aggregate of the
26 Louisiana taxable income for each of the taxable years to which such loss
27 may be carried. For the purposes of this Subsection:

28 * * *

29 (2) In calculating the aggregate Louisiana taxable incomes in cases
30 where more than one loss year must be taken into account, the various net
31 operating loss carryovers to such taxable year are considered to be applied
32 in reduction of Louisiana net income in the order of the taxable years from
33 which such losses are carried over, beginning with the loss for the ~~most~~
34 recent earliest taxable year.

35 * * *"

36 AMENDMENT NO. 21

37 On page 18, at the beginning of line 1, delete "Section 8." and insert "Section 7."

38 AMENDMENT NO. 22

39 On page 18, at the end of line 25, insert the following:

40 "The provisions of this Subparagraph shall not apply to a well certified as a stripper
41 or incapable well."

42 AMENDMENT NO. 23

43 On page 19, at the beginning of line 7, delete "Section 9." and insert "Section 8."

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

1 AMENDMENT NO. 24

2 On page 19, delete line 27 in its entirety and insert "Section 9. The heading of"

3 AMENDMENT NO. 25

4 On page 20, delete lines 3 through 28 in their entirety and on page 21, delete lines 1 through
5 14 in their entirety

6 AMENDMENT NO. 26

7 On page 21, at the end of line 19, after the period "." insert the following:

8 "For purposes of this Title, the term "corporations and entities taxed as corporations"
9 shall include all corporations and all entities which are required to file federal form
10 1065 relative to U.S. return of partnership income."

11 AMENDMENT NO. 27

12 On page 22, line 2, after "entities" delete the remainder of the line and delete line 3 in its
13 entirety and insert the following:

14 "which are required to file federal form 1065, U.S. return of partnership income."

15 AMENDMENT NO. 28

16 On page 22, between lines 4 and 5, insert the following:

17 "§287.61. Gross income defined

18 "Gross income" of a corporation means the same items and the same dollar
19 amount required by federal law to be reported as gross income on the corporation's
20 federal income tax return for the same taxable year, subject to the modifications
21 specified in this Part, whether or not a federal income tax return is actually filed. For
22 entities required to file federal form 1065, U.S. return of partnership income, "gross
23 income" means the sum of lines one through eleven that is reportable in Schedule K,
24 subject to the modifications specified in this Part, whether or not a federal income
25 tax return is actually filed."

26 * * *

27 §293. Definitions

28 The following definitions shall apply throughout this Part, unless the context
29 requires otherwise:

30 (1) "Adjusted gross income" means, for any taxable year and for any
31 individual, the adjusted gross income of the individual for the taxable year that is
32 reportable on the individual's federal income tax return less any income or losses
33 subject to corporate or business taxes pursuant to R.S. 47:287.2.

34 * * *

35 Section 10. R.S. 47:287.12 is hereby amended and reenacted to read as follows:"

1 AMENDMENT NO. 29

2 On page 22, between lines 19 and 20, insert the following:

3 "Section 11. R.S. 47:287.12 is hereby amended and reenacted to read as follows:"

4 AMENDMENT NO. 30

5 On page 23, delete lines 5 through 15 in their entirety

6 AMENDMENT NO. 31

7 On page 23, between lines 15 and 16, insert the following:

8 "Section 12. R.S. 47:601(A), (B), and (C)(2) are hereby amended and reenacted and
9 R.S. 47:611(C) is hereby enacted to read as follows:

10 §601. Imposition of tax

11 A. (1) Except as provided for in Paragraph (2) of this Subsection, every
12 ~~Every~~ domestic corporation and every foreign corporation, exercising its charter, or
13 qualified to do business or actually doing business in this state, or owning or using
14 any part or all of its capital, plant, or any other property in this state, subject to
15 compliance with all other provisions of law, except as otherwise provided for in this
16 Chapter shall pay an annual tax at the rate of one dollar and fifty cents for each one
17 thousand dollars, or major fraction thereof on the first three hundred thousand dollars
18 of taxable capital and at the rate of three dollars for each one thousand dollars, or
19 major fraction thereof, which exceeds three hundred thousand dollars of taxable
20 capital. Taxable capital shall be determined as hereinafter provided. The tax levied
21 herein is due and payable on any one or all of the following alternative incidents:

22 ~~(1)~~(a) The qualification to carry on or do business in this state or the actual
23 doing of business within this state in a corporate form. The term "doing business"
24 as used herein shall mean and include each and every act, power, right, privilege, or
25 immunity exercised or enjoyed in this state, as an incident to or by virtue of the
26 powers and privileges acquired by the nature of such organizations, as well as, the
27 buying, selling, or procuring of services or property.

28 ~~(2)~~(b) The exercising of a corporation's charter or the continuance of its
29 charter within this state.

30 ~~(3)~~(c) The owning or using any part or all of its capital, plant, or other
31 property in this state whether owned directly or indirectly by or through a
32 partnership, joint venture, or any other business organization of which the domestic
33 or foreign corporation is a related party as defined in R.S. 47:605.1.

34 (2) The tax levied pursuant to the provisions of this Chapter shall be limited
35 to the following percentages of the amount otherwise levied pursuant to the
36 provisions of this Chapter:

37 (a) For taxable years beginning on or after January 1, 2019, and before
38 January 1, 2020, seventy-five percent.

39 (b) For taxable years beginning on or after January 1, 2020, and before
40 January 1, 2021, fifty percent.

41 (c) For taxable years beginning on or after January 1, 2021, and before
42 January 1, 2022, twenty-five percent.

(d) For taxable years beginning on or after January 1, 2022, no corporation franchise tax shall be assessed, levied, or collected by the state nor paid by domestic or foreign corporations on taxable capital.

B. It is the purpose of this Section to require the payment of this tax to the state of Louisiana by domestic corporations for the right granted by the laws of this state to exist as such an organization, and by both domestic and foreign corporations for the enjoyment, under the protection of the laws of this state, of the powers, rights, privileges, and immunities derived by reason of the corporate form of existence and operation. The tax ~~hereby~~ imposed pursuant to the provisions of this Chapter shall be in addition to all other taxes levied by any other statute.

C.(1) As used herein the term "domestic corporation" shall mean and include any of the following:

* * *

(2) The term "foreign corporation" shall mean and include all such business organizations as ~~hereinbefore~~ described in this Paragraph (1) of this Subsection which are organized under the laws of any other state, territory or district, or foreign country.

* * *

§611. Newly taxable corporation

* * *

C. For taxable years beginning on and after January 1, 2022, no initial tax shall be assessed, levied, or collected by the state nor paid by domestic or foreign corporations."

AMENDMENT NO. 32

On page 23, at the beginning of line 16, delete "Section 11. R.S. 47:34," and insert the following:

"Section 13. R.S. 47:34, Subpart D of Part II of Chapter 1 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:201 through 220.3,"

AMENDMENT NO. 33

On page 23, at the beginning of line 23, delete "Section 12." and insert "Section 14."

AMENDMENT NO. 34

On page 24, delete lines 3 through 16 in their entirety and insert the following:

"Section 15. Section 12 of this Act shall be applicable to all corporate franchise tax periods beginning on and after January 1, 2019.

Section 16. Except as provided for in Sections 15, this Act shall be applicable to all taxable periods beginning on or after January 1, 2018.

Section 17. Notwithstanding the provisions of Section 6 of Act No. 123 of the 2015 Regular Session, R.S. 47:287.73(C)(4) as enacted by Section 3 of Act No. 123 of the 2015 Regular Session shall not become effective.

Section 18. Section 3 of this Act shall become effective and Section 2 of this Act shall not become effective if the proposed amendment of Article VII of the Constitution of

1 Louisiana contained in the Act which originated as House Bill No. 356 of this 2017 Regular
2 Session of the Legislature is adopted at a statewide election and becomes effective.

3 Section 19. The provisions of Section 7 of this Act shall become effective September
4 1, 2017.

5 Section 20. Section 11 of this Act shall become effective and Section 10 of this Act
6 shall not become effective if the proposed amendment of Article VII of the Constitution of
7 Louisiana contained in the Act which originated as House Bill No. 356 of this 2017 Regular
8 Session of the Legislature is adopted at a statewide election and becomes effective.

9 Section 21. Except as provided in Sections 17, 18, 19, and 20 of this Act, the
10 provisions of this Act shall become effective on January 1, 2018, if and when the Act that
11 originated as HB No. 119 is enacted into law and HCR No. 4 is adopted by both houses of
12 the Louisiana Legislature."