

2017 Regular Session

HOUSE BILL NO. 555

BY REPRESENTATIVE JACKSON AND SENATOR THOMPSON

1 AN ACT

2 To amend and reenact R.S. 47:287.71(B)(6), relative to corporate income tax; to provide for
3 a deduction for dividends by certain regulated entities; to provide for applicability;
4 to provide for effectiveness; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:287.71(B)(6) is hereby amended and reenacted to read as follows:

7 §287.71. Modifications to federal gross income

8 * * *

9 B. There shall be subtracted from gross income determined under federal
10 law, unless already excluded therefrom, the following items:

11 * * *

12 (6)(a) Amounts received as dividend income from banking corporations
13 organized under the laws of Louisiana, from national banking corporations doing
14 business in Louisiana, and from capital stock associations whose stock is subject to
15 ad valorem taxation.

16 (b) Amounts received as dividend income by any member of a regulated
17 group of entities. For purposes of this Subparagraph, the following terms shall have
18 the meanings ascribed to them:

19 (i) "Legal entities" shall include, but is not limited to, corporations, limited
20 liability companies, partnerships, or any other form of business organization.

21 (ii) "Regulated group of entities" shall mean a group comprised of a parent
22 entity and any other legal entities in which the parent entity directly or indirectly

1 owns at least fifty percent of either the vote or the value of the stock, membership
2 interest, partnership interest, or other ownership interest and in which either one of
3 the following applies:

4 (aa) One or more of the members of the group is regulated by the Louisiana
5 Public Service Commission as a telecommunications service provider and at least
6 one of the members of the group has at any time been party to a contract entered into
7 under the authority of Chapter 1 of Subtitle V of this Title.

8 (bb) One or more of the members of the group is regulated by the Louisiana
9 Public Service Commission as an electric utility.

10 * * *

11 Section 2. This Act shall become effective on January 1, 2018, and shall apply to all
12 taxable periods beginning on and after January 1, 2018.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____