2019 Regular Session

HOUSE BILL NO. 151

BY REPRESENTATIVE ZERINGUE

TAX/INCOME TAX: (Constitutional Amendment) Provides for the rates and brackets for purposes of calculating individual income taxes and repeals the deduction for federal income taxes paid for purposes of computing individual and corporate income taxes

1	A JOINT RESOLUTION		
2	Proposing to amend Article VII, Section 4(A) of the Constitution of Louisiana, relative to		
3	income tax; to provide with respect to the rates and brackets for purposes o		
4	calculating individual income taxes; to provide with respect to the deductibility of		
5	federal income taxes paid for purposes of calculating state income taxes; to provide		
6	for applicability; to provide for an effective date; to provide for submission of the		
7	proposed amendment to the electors; and to provide for related matters.		
8	Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members		
9	elected to each house concurring, that there shall be submitted to the electors of the state of		
10	Louisiana, for their approval or rejection in the manner provided by law, a proposal to		
11	amend Article VII, Section 4(A) of the Constitution of Louisiana, to read as follows:		
12	§4. Income Tax; Severance Tax; Political Subdivisions		
13	Section 4.(A) Income Tax. Equal and uniform taxes may be levied on net		
14	incomes, and these taxes may be graduated according to the amount of net income.		
15	However, the The state individual and joint income tax schedule of rates and		
16	brackets shall never exceed the rates and brackets set forth in Title 47 of the		
17	Louisiana Revised Statutes on January 1, 2003. Federal income taxes paid shall be		
18	allowed as a deductible item in computing state income taxes for the same period be		
19	provided for in law.		
20	* * *		

Page 1 of 3

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	Section 2. Be it further resolved that the provision of the amendment contained in		
2	this Joint Resolution shall become effective January 1, 2020, and shall be applicable to all		
3	tax years beginning on and after January 1, 2020.		
4	Section 3. Be it further resolved that this proposed amendment shall be submitted		
5	to the electors of the state of Louisiana at the statewide election to be held on October 12		
6	2019.		
7	Section 4. Be it further resolved that on the official ballot to be used at the election,		
8	there shall be printed a proposition, upon which the electors of the state shall be permitted		
9	to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as		
10	follows:		
11	Do you support an amendment to establish individual income tax rates and		
12	brackets in law and to eliminate the deduction for federal income taxes paid		
13	in computing state income taxes? (January 1, 2020) (Amends Article VII,		
14	Section 4(A))		

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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HB 151 Original	2019 Regular Session	Zeringue

Abstract: Provides that the rates and brackets for the individual income tax shall be provided for in law and eliminates the deductibility of federal income taxes paid when computing state income taxes.

<u>Present constitution</u> authorizes equal and uniform taxes to be levied on net individual and corporate income. Further authorizes the rates for these taxes to be graduated according to the amount of the taxpayer's net income; however, the state individual and joint income tax schedule of rates and brackets are prohibited from exceeding the rates and brackets as they existed on Jan. 1, 2003.

<u>Present constitution</u> authorizes federal income taxes paid to be allowed as a deductible item in computing state income taxes for the same period.

<u>Proposed constitutional amendment</u> changes <u>present constitution</u> by eliminating references to the maximum amount of the individual income tax rates and brackets from the constitution in favor of providing for the rates and brackets in law and eliminating the deductibility of federal income taxes paid when computing state income tax liability.

Effective Jan. 1, 2020, and applicable to all tax years beginning on and after Jan. 1, 2020.

Provides for submission of the proposed amendment to the voters at the statewide election to be held October 12, 2019.

(Amends Const. Art. VII, §4(A))