2019 Regular Session

HOUSE BILL NO. 329

BY REPRESENTATIVE WRIGHT

TAX/INCOME TAX: (Constitutional Amendment) Establishes the maximum rate for
purposes of calculating individual income taxes and repeals the mandatory deduction
for federal income taxes paid

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 of

4   calculating individual income taxes; to establish the maximum individual income tax

5   rate; to provide with respect to the deductibility of federal income taxes paid for

6   purposes of calculating state income taxes; to provide for applicability; to provide

7   for an effective date; to provide for submission of the proposed amendment to the

8   electors; and to provide for related matters.

9   Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members

10   elected to each house concurring, that there shall be submitted to the electors of the state of

11   Louisiana, for their approval or rejection in the manner provided by law, a proposal to

12   amend Article VII, Section 4(A) of the Constitution of Louisiana, to read as follows:

13   §4. Income Tax; Severance Tax; Political Subdivisions

14   Section 4.(A) Income Tax. Equal and uniform taxes may be levied on net

15   incomes, and these taxes may be graduated according to the amount of net income.

16   However, the The state individual and joint income tax schedule of rates and

17   brackets shall be provided for in law; however, the maximum rate for individual

18   income tax shall not exceed three and twenty-eight one hundredths of one percent

19   on net income. never exceed the rates and brackets set forth in Title 47 of the

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

1   ~~Louisiana Revised Statutes on January 1, 2003. Federal income taxes paid shall be~~

2   ~~allowed as a deductible item in computing state income taxes for the same period.~~

3   *   *   *

4   Section 2. Be it further resolved that the provision of the amendment contained in

5   this Joint Resolution shall become effective January 1, 2020, and shall be applicable to all

6   tax years beginning on and after January 1, 2020.

7   Section 3. Be it further resolved that this proposed amendment shall be submitted

8   to the electors of the state of Louisiana at the statewide election to be held on October 12,

9   2019.

10   Section 4. Be it further resolved that on the official ballot to be used at the election,

11   there shall be printed a proposition, upon which the electors of the state shall be permitted

12   to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as

13   follows:

14   Do you support an amendment to establish the maximum individual income

15   tax rate of three and twenty-eight one hundredths of one percent on net

16   income and to eliminate the mandatory deduction for federal income taxes

17   paid in computing state income taxes? (January 1, 2020) (Amends Article

18   VII, 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)]

HB 329 Original   2019 Regular Session   Wright

Abstract: Establishes the maximum individual income tax rate of 3.28% on net income
and eliminates the mandatory deduction of federal income taxes paid when
computing state income taxes.

Present constitution 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.

Present constitution requires federal income taxes paid to be allowed as a deductible item
in computing state income taxes for the same period.

Proposed constitutional amendment changes present constitution by providing for the establishment of income tax rates and brackets in law but limiting the maximum individual income tax rate at 3.28% on net income.

Proposed constitutional amendment eliminates the mandatory deduction 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 Oct. 12, 2019.

(Amends Const. Art. VII, §4(A))