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 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 of

4   calculating income taxes; to provide with respect to the deductibility of federal

5   income taxes paid for purposes of calculating state income taxes; to provide for

6   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 income

16   tax schedule schedules of rates and brackets shall never exceed the rates and brackets

17   set forth in Title 47 of the Louisiana Revised Statutes on January 1, 2003. Federal

1   income taxes paid shall be allowed as a deductible item in computing state income

2   taxes for the same period be provided for in law.

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 income tax rates and brackets in

15   law and to eliminate the deduction for federal income taxes paid in

16   computing state income taxes? (January 1, 2020) (Amends Article VII,

17   Section 4(A))

DIGEST

HB 151 Engrossed   2019 Regular Session   Zeringue

Abstract: Requires state income tax rates and brackets to be provided for in law and
         eliminates the deductibility 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
schedules of rates and brackets are prohibited from exceeding the rates and brackets as they
existed on Jan. 1, 2003.

Present constitution authorizes 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 eliminating references
to the maximum amount of the individual income tax rates and brackets from the

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

constitution in favor of providing for the rates and brackets of all income taxes to be provided for 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 Oct. 12, 2019.

(Amends Const. Art. VII, §4(A))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Reinstate present constitution authorizing the state income tax levy to be graduated according to net income.

2. Delete the limitation that the rates and brackets to be provided in law applies to individual and joint income taxes in favor or making the provision apply to *all* income taxes.