

2019 Regular Session

HOUSE BILL NO. 530

BY REPRESENTATIVE HODGES

TAX CREDITS: Requires certain taxpayers claiming the earned income tax credit to provide the Dept. of Revenue with certain information regarding residency of dependents

1 AN ACT

2 To enact R.S. 47:101(C), 297.8(A)(3) and (C), relative to individual income tax; to provide
3 with respect to the earned income tax credit; to establish additional eligibility
4 requirements for the tax credit; to require qualifying dependents to meet certain
5 residency requirements; to provide for recapture of the credit; to provide for
6 requirements for claiming dependents on certain income tax returns; to authorize the
7 promulgation of certain rules and regulations; to provide for applicability; to provide
8 for effectiveness; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 47:101(C), 297.8(A)(3) and (C) are hereby enacted to read as
11 follows:

12 §101. Individual returns

13 * * *

14 C. Any taxpayer claiming a dependent on a tax return, must provide a
15 statement that the dependent has been physically present in the United States for at
16 least six months of the taxable year.

17 * * *

18 §297.8. Earned income tax credit

19 A.

20 * * *

Proposed law retains present law and adds a requirement that in order to receive the tax credit, an eligible taxpayer must sign a statement on the tax return indicating that the qualifying child is physically present in the U.S. at the time the income tax return is filed for at least 180 days of the taxable year, or if born in the taxable year, the child was physically present in the U.S. for 50% of the taxable year or 180 calendar days, whichever is less.

Proposed law requires any taxpayer claiming a dependent on a tax return to provide a statement that the dependent has been physically present in the U.S. for at least six months of the taxable year.

Proposed law authorizes the Dept. of Revenue to promulgate rules and regulations necessary to implement the provisions of proposed law.

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

(Adds R.S. 47:101(C) and 297.8(A)(3) and (C))

Summary of Amendments Adopted by House

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

1. Require taxpayers claiming a dependent on a tax return to provide a statement that the dependent has been physically present in the U.S. for at least six months of the taxable year.
2. Remove authorization for the Dept. of Revenue to recapture the credit if the credit is obtained in violation of proposed law.
3. Authorize rather than require the Dept. of Revenue to promulgate rules and regulations to implement proposed law.
4. Delete references to "other dependents" throughout proposed law as it relates to the earned income credit tax.