

SENATE BILL NO. 6

BY SENATOR ALLAIN

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AN ACT

To enact R.S. 47:601.1, relative to suspension of the initial corporation franchise tax and the corporation franchise tax on the first three hundred thousand dollars of taxable capital; to provide the applicable tax periods of the suspension; to provide for eligibility; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:601.1 is hereby enacted to read as follows:

§601.1. Suspension of the corporate franchise tax applicable to small business corporations

A.(1) Notwithstanding any provision of law to the contrary, the state corporation franchise tax levied on corporations at the rate of one dollar and fifty cents for each one thousand dollars, or major fraction thereof, on the first three hundred thousand dollars of taxable capital pursuant to the provisions of R.S. 47:601(A) shall not apply to small business corporations for franchise taxable periods beginning between July 1, 2020, and June 30, 2021.

(2) Notwithstanding any provision of law to the contrary, the initial tax levied on corporations or other entities for the first accounting period in which the entity becomes subject to the corporation franchise tax pursuant to the provisions of R.S. 47:611(A) shall not apply to small business corporations for franchise taxable periods beginning between July 1, 2020, and June 30, 2021.

B. For purposes of this Section, "small business corporation" means a business that is exercising its charter, or qualified to do business or actually doing business in this state, or owning or using any part or all of its capital, plant, or any other property in this state, that is subject to the corporation franchise tax, and that has taxable capital of one million dollars or less.

1 Section 2. The provisions of this Act shall supercede and control to the extent of any
2 conflict between this Act and the provisions of House Concurrent Resolution No. 66 of the
3 2020 Regular Session of the Legislature.

4 Section 3. This Act shall become effective upon signature by the governor or, if not
5 signed by the governor, upon expiration of the time for bills to become law without signature
6 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
7 vetoed by the governor and subsequently approved by the legislature, this Act shall become
8 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____