

2021 Regular Session

HOUSE BILL NO. 203

BY REPRESENTATIVE ROBBY CARTER

TAX/STATE: (Constitutional Amendment) Prohibits the levy of tax on net incomes and provides for state taxes on the assessed value of property

A JOINT RESOLUTION

Proposing to amend Article VII, Sections 4(A) and 19 of the Constitution of Louisiana, relative to state taxes; to provide with respect to the rates and brackets for purposes of calculating income taxes; to prohibit the state from levying a tax on net income; to provide for state taxation on the assessed value of certain property; to provide for the maximum amount the state may levy on the assessed value of certain property; to provide for applicability; to provide for an effective date; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state of Louisiana, for their approval or rejection in the manner provided by law, a proposal to amend Article VII, Sections 4(A) and 19 of the Constitution of Louisiana, to read as follows:

§4. Income Tax; Severance Tax; Political Subdivisions

Section 4.(A) Income Tax. No taxes may be levied on net incomes, ~~and these taxes may be graduated according to the amount of net income. However, the state individual and joint income tax schedule of rates and brackets shall never exceed the rates and brackets set forth in Title 47 of the Louisiana Revised Statutes on January 1, 2003. Federal income taxes paid shall be~~

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

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

2 * * *

3 §19. State Property Taxation; Rate Limitation

4 Section 19. State taxation on ~~property for all purposes shall not exceed an~~
5 ~~annual rate of five and three-quarter mills on the dollar of assessed valuation. the~~
6 ~~assessed valuation of property, including the maximum millage rate and the~~
7 ~~collection of the tax, shall be provided for by law.~~

8 Section 2. Be it further resolved that this proposed amendment shall become
9 effective on January 1, 2023, and shall be applicable for tax years beginning on or after
10 January 1, 2023.

11 Section 3. Be it further resolved that this proposed amendment shall be submitted
12 to the electors of the state of Louisiana at the statewide election to be held on November 8,
13 2022.

14 Section 4. Be it further resolved that on the official ballot to be used at the election,
15 there shall be printed a proposition, upon which the electors of the state shall be permitted
16 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
17 follows:

18 Do you support an amendment to prohibit the levy of taxes on net incomes
19 and to eliminate references to the maximum state millage authorized to be
20 levied on property and instead specify that state property tax rates and
21 collection shall be established by law? (Effective January 1, 2023) (Amends
22 Article VII, Sections 4(A) and 19)

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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Abstract: Prohibits the levy of tax on net incomes and requires state property tax millage rates and collection to be established by law.

Present constitution authorizes equal and uniform taxes to be levied on net incomes. Further authorizes these taxes to be graduated according to the amount of 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 requires federal income taxes paid to be allowed as a deductible item in computing state income taxes for the same period.

Proposed constitutional amendment repeals present constitution and instead prohibits the levy of taxes on net incomes.

Present constitution authorizes local governments and other political subdivisions to levy ad valorem property taxes on movable and immovable property within their jurisdictions. Further, those taxes are subject to a variety of exemptions provided by the present constitution.

Present constitution limits state taxation on property for all purposes from exceeding 5.75 mills on the dollar of assessed valuation.

Proposed constitution eliminates references to the maximum state millage authorized to be levied on property and instead specifies that state taxes levied on the assessed valuation of property, including the maximum millage rate and the collection of the tax, shall be provided for by law.

Effective Jan. 1, 2023, and applicable to all tax years beginning on or after Jan. 1, 2023.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 8, 2022.

(Amends Const. Art. VII, §§4(A) and 19)