

2021 Regular Session

HOUSE BILL NO. 210

BY REPRESENTATIVE WRIGHT

TAX/CORP INCOME: Provides a flat rate for corporation income tax

1 AN ACT

2 To amend R.S. 47:287.12, relative to income tax; to provide for the rate of the corporation  
3 income tax; to provide for effectiveness; to provide for applicability ; and to provide  
4 for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:287.12 is hereby amended and reenacted to read as follows:

7 §287.12. Rates of tax

8 The tax to be assessed, levied, collected, and paid upon the Louisiana taxable  
9 income of every corporation shall be computed at the rate of:

10 (1) ~~Four percent upon the first twenty-five thousand dollars of Louisiana~~  
11 ~~taxable income.~~

12 (2) ~~Five percent upon the amount of Louisiana taxable income above twenty-~~  
13 ~~five thousand dollars but not in excess of fifty thousand dollars.~~

14 (3) ~~Six percent on the amount of Louisiana taxable income above fifty~~  
15 ~~thousand dollars but not in excess of one hundred thousand dollars.~~

16 (4) ~~Seven percent on the amount of Louisiana taxable income above one~~  
17 ~~hundred thousand dollars but not in excess of two hundred thousand dollars.~~

18 (5) ~~Eight~~ three percent on all Louisiana taxable income ~~in excess of two~~  
19 ~~hundred thousand dollars.~~

1 Section 2. The provisions of this Act shall be applicable to tax years beginning on  
2 or after January 1, 2023.

3 Section 3. This Act shall become effective on January 1, 2023, if the proposed  
4 amendment of Article VII of the Constitution of Louisiana contained in the Act which  
5 originated as House Bill No. \_\_\_ of this 2021 Regular Session of the Legislature is adopted  
6 at a statewide election and becomes effective.

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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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HB 210 Original

2021 Regular Session

Wright

**Abstract:** Changes the corporation income tax rate from a graduated schedule of rates dependent on the taxable income of the taxpayer to a flat rate of 3%.

Present law provides that the tax to be assessed, levied, collected, and paid on the La. taxable income of every corporation shall be computed at the following rates:

- (1) 4% on the first \$25,000 of La. taxable income.
- (2) 5% on La. taxable income above \$25,000 but not in excess of \$50,000.
- (3) 6% on La. taxable income above \$50,000 but not in excess of \$100,000.
- (4) 7% on La. taxable income above \$100,000 but not in excess of \$200,000.
- (5) 8% on all La. taxable income in excess of \$200,000.

Proposed law deletes the graduated schedule of rates dependant on the amount of taxable income of the taxpayer and provides instead for a 3% corporation income tax rate on all La. taxable income.

Applicable to tax years beginning on or after Jan. 1, 2023.

Effective Jan. 1, 2023, if the proposed amendment of Article VII of the Constitution of La. contained in the Act which originated as House Bill No. \_\_\_ of this 2021 R.S. of the Legislature is adopted at a statewide election and becomes effective.

(Amends R.S. 47:287.12)