

2021 Regular Session

HOUSE BILL NO. 441

BY REPRESENTATIVE LANDRY

TAX/INCOME TAX: (Constitutional Amendment) Provides for the rates and brackets for purposes of calculating individual income tax and the deduction for federal income taxes paid when calculating income tax liability

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 for the deductibility of federal income taxes
5 paid for purposes of computing income taxes; to provide for applicability; to provide
6 for an effective date; to provide for submission of the proposed amendment to the
7 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
16 brackets shall ~~never exceed the rates and brackets set forth in Title 47 of the~~
17 ~~Louisiana Revised Statutes on January 1, 2003~~ be provided for in law. Federal
18 income taxes paid ~~shall~~ may be allowed as a deductible item in computing state
19 income taxes for the same period.

20 * * *

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

1 Section 2. Be it further resolved that the provision of the amendment contained in
2 this Joint Resolution shall become effective January 1, 2023, and shall be applicable to tax
3 years beginning on or after January 1, 2023.

4 Section 3. Be it further resolved that this proposed amendment shall be submitted
5 to the electors of the state of Louisiana at the statewide election to be held on November 8,
6 2022.

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

11 Do you support an amendment to eliminate references to the maximum
12 individual income tax rates and brackets and instead specify that income tax
13 rates and brackets shall be established in law and to authorize rather than
14 require a deduction for federal income taxes paid when calculating income
15 tax liability? (January 1, 2023) (Amends Article VII, Section 4(A))

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)]

HB 441 Original

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Landry

Abstract: Eliminates references to the maximum amount of individual income tax rates and brackets and instead requires the rates and brackets of all income taxes to be provided for in law and authorizes rather than requires a deduction for federal income taxes paid when calculating income tax liability.

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 requires 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 and instead specifying that the rates and brackets of all income taxes shall be provided for in law. Further authorizes rather than requires that federal income taxes paid be allowed as a deductible item in computing state income taxes for the same period.

Effective Jan. 1, 2023, and applicable to 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))