
DIGEST

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HB 659 Original

2021 Regular Session

Willard

Abstract: Establishes an income tax credit for each child under 18 years old claimed as a dependent by a taxpayer on a La. return. The amount of the credit ranges between \$200 and \$500 depending on the taxpayer's gross income and the age of the child.

Proposed law establishes an income tax credit for each child under 18 years of age claimed as a dependent by the taxpayer on a La. return. The amount of the credit shall be determined based on the taxpayer's gross income and the age of the child as follows:

- (1) If the taxpayer's gross income is less than \$51,000 and the child is under six years old, the credit shall equal \$500.
- (2) If the taxpayer's gross income is at least \$51,000 but less than \$100,000 and the child is under six years old, the credit shall equal \$300.
- (3) If the taxpayer's gross income is less than \$51,000 and the child is at least six years old but under 18 years old, the credit shall equal \$300.
- (4) If the taxpayer's gross income is at least \$51,000 but less than \$100,000 and the child is at least six years old but under 18 years old, the credit shall equal \$200.

Proposed law prohibits a credit if the taxpayer's gross income exceeds \$100,000 or if the child is 18 years old or older.

Proposed law provides that the income threshold shall be applicable regardless of the filing status of the taxpayer claiming the credit.

Proposed law provides that if the amount of the credit exceeds the taxpayer's tax liability for the taxable year, the excess credit amount shall constitute an overpayment and the secretary shall refund the overpayment from the tax collections imposed in present law.

Proposed law is applicable to taxable years beginning on or after Jan. 1, 2021.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 47:297.16)