

2021 Regular Session

HOUSE BILL NO. 301

BY REPRESENTATIVES LANDRY AND MOORE

TAX/INCOME TAX: Establishes an income tax credit for certain funeral and burial expenses for certain pregnancy-related deaths

1 AN ACT

2 To enact R.S. 47:297.16, relative to income tax credits; to establish an income tax credit for
3 pregnancy-related deaths; to provide for the amount of the credit; to provide for
4 definitions; to provide for certain requirements and limitations; to provide for
5 applicability; to provide for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:297.16 is hereby enacted to read as follows:

8 §297.16. Tax credit; pregnancy-related deaths

9 A.(1) There shall be allowed a credit against the tax imposed by this Chapter
10 for the reasonable funeral and burial expenses associated with the pregnancy-related
11 death of a person. The estate of the deceased person may claim the credit. If the
12 estate of the deceased person does not claim the credit, the individual who actually
13 paid the funeral and burial expenses may claim the credit. However, in order to
14 qualify for the credit, the individual or estate claiming the credit shall be a Louisiana
15 taxpayer. The amount of the credit shall be equal to the actual reasonable funeral
16 and burial expenses paid or five thousand dollars, whichever is less, and shall be
17 claimed in the year in which the death occurred.

18 (2) For purposes of this Section, the following terms shall have the following
19 meanings:

1 (a) "Pregnancy-related death" shall mean the death of a Louisiana resident
2 while pregnant, during labor and delivery, or within one year after childbirth from
3 a pregnancy complication, a chain of events initiated by the pregnancy, or the
4 aggravation of an unrelated condition by the normal effects of the pregnancy.

5 (b) "Reasonable funeral and burial expenses" shall mean costs and fees
6 associated with transportation of the remains, embalming or cremation services,
7 caskets, plots, grave markers, or headstones, funeral home facility and staff services,
8 and other related professional services. The term "reasonable funeral and burial
9 expenses" shall not mean costs and fees associated with flowers, vaults, or urns.

10 B. If the amount of the credit authorized pursuant to the provisions of this
11 Section exceeds the amount of the taxpayer's tax liability for the taxable year, the
12 excess tax credit amount shall constitute an overpayment as defined in R.S.
13 47:1621(A), and the secretary shall make a refund of the overpayment from the
14 current collections of the taxes imposed pursuant to this Chapter. The right to a
15 refund shall not be subject to the requirements of R.S. 47:1621(B).

16 C. The taxpayer claiming the credit authorized pursuant to the provisions of
17 this Section shall maintain all records necessary to verify the amount of reasonable
18 funeral and burial expenses paid and if requested, shall provide the records to the
19 Department of Revenue when filing the taxpayer's tax return.

20 Section 2. The provisions of this Section shall be applicable to taxable years
21 beginning on or after January 1, 2022.

22 Section 3. This Act shall become effective on January 1, 2022.

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 301 Engrossed

2021 Regular Session

Landry

Abstract: Establishes an income tax credit not to exceed \$5,000 for reasonable funeral and burial expenses associated with the pregnancy-related death of a person.

Proposed law provides for the establishment of an income tax credit for reasonable funeral and burial expenses associated with the pregnancy-related death of a person. The estate of

the deceased person is authorized to claim the credit but, if the estate does not claim the credit, it may be claimed by the individual who actually paid the funeral and burial expenses.

Proposed law limits the amount of the credit to the actual reasonable funeral and burial expenses paid or \$5,000, whichever is less. Further requires that the party claiming the credit be a La. taxpayer and that the credit be claimed in the year the death occurred.

Proposed law defines a "pregnancy-related death" as the death of a Louisiana resident while pregnant, during labor and delivery, or within one year after childbirth from a pregnancy complication, a chain of events initiated by the pregnancy, or the aggravation of an unrelated condition by the normal effects of the pregnancy.

Proposed law defines "reasonable funeral and burial expenses" as costs and fees associated with transportation of the remains, embalming or cremation services, caskets, plots, grave markers, or headstones, funeral home facility and staff services, and other related professional services. The term shall not mean costs and fees associated with flowers, vaults, or urns.

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 requires the taxpayer claiming the credit to maintain all records necessary to verify the amount of reasonable funeral and burial expenses paid and if requested, to provide the records to the Dept. of Revenue when filing the taxpayer's tax return.

Proposed law is applicable to taxable years beginning on or after Jan. 1, 2022.

Effective on Jan. 1, 2022.

(Adds R.S. 47:297.16)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Specify that the "pregnancy-related death" that qualifies for the tax credit pursuant to proposed law is the "pregnancy-related death" of a La. resident.