

# ACT No. 396

2021 Regular Session

HOUSE BILL NO. 292

BY REPRESENTATIVE RISER

1 AN ACT

2 To amend and reenact R.S. 47:32(C), 241, 287.12, 287.69, 287.442(B), and 287.732.2(B)  
3 and to repeal R.S. 47:55(5), 287.79, 287.83, 287.85, and 287.732.2(C), relative to  
4 corporation income tax; to provide relative to the deductibility of federal income  
5 taxes; to repeal deductibility of federal income taxes paid for purposes of calculating  
6 corporate income taxes; to decrease the number of tax brackets applicable to  
7 corporation income tax; to lower the rates of corporation income tax; to provide for  
8 applicability; to provide for an effective date; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 47:32(C), 241, 287.12, 287.69, 287.442(B), and 287.732.2(B) are  
11 hereby amended and reenacted to read as follows:

12 §32. Rates of tax

13 \* \* \*

14 C. On corporations. The tax to be assessed, levied, collected, and  
15 paid upon the net taxable income of every corporation shall be computed at  
16 the ~~rate of:~~ rates provided for in R.S. 47:287.12.

17 ~~(1) Four percentum upon the first twenty-five thousand dollars of net~~  
18 ~~income.~~

19 ~~(2) Five percentum upon the amount of net income above twenty-five~~  
20 ~~thousand dollars but not in excess of fifty thousand dollars.~~

21 ~~(3) Six percentum on the amount of net income above fifty thousand dollars~~  
22 ~~but not in excess of one hundred thousand dollars.~~

23 ~~(4) Seven percentum on the amount of net income above one hundred~~  
24 ~~thousand dollars but not in excess of two hundred thousand dollars.~~

1                   ~~(5) Eight percentum on all net income in excess of two hundred thousand~~  
2                   ~~dollars.~~

3   \*       \*       \*

4                   §241. Net income subject to tax

5                   The net income of a nonresident individual or a corporation subject to the tax  
6                   imposed by this Chapter shall be the sum of the net allocable income earned within  
7                   or derived from sources within this state, as defined in R.S. 47:243, and the net  
8                   apportionable income derived from sources in this state, as defined in R.S. 47:244;  
9                   ~~less the amount of federal income taxes attributable to the net allocable income and~~  
10                  ~~net apportionable income derived from sources in this state. The amount of federal~~  
11                  ~~income taxes to be so deducted shall be that portion of the total federal income tax~~  
12                  ~~which is levied with respect to the particular income derived from sources in this~~  
13                  ~~state to be computed in accordance with rules and regulations of the collector of~~  
14                  ~~revenue. Proper adjustment shall be made for the actual tax rates applying to~~  
15                  ~~different classes of income and for all differences in the computation of net income~~  
16                  ~~for purposes of federal income taxation as compared to the computation of net~~  
17                  ~~income under this Chapter. Where the allocation of the tax is to be based on a ratio~~  
18                  ~~of the amount of net income of a particular class, both the numerator and the~~  
19                  ~~denominator of the fraction used in determining the ratio shall be computed on the~~  
20                  ~~basis that such net income is determined for federal income tax purposes.~~

21   \*       \*       \*

22                   §287.12. Rates of tax

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

25                   (1) ~~Four~~ Three and one-half percent upon the first ~~twenty-five~~ fifty thousand  
26                   dollars of Louisiana taxable income.

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

29                   (3) ~~Six~~ Five and one-half percent on the amount of Louisiana taxable income  
30                   above fifty thousand dollars but not in excess of one hundred fifty thousand dollars.



1 has expired. If the applicable prescriptive period has expired, the additional tax paid  
2 by the taxpayer in the case of an underpayment or the refund or credit received by  
3 the taxpayer in the case of an overpayment shall be for the taxable year such tax was  
4 paid, such refund was received, or such credit was allowed, as the case may be.

5 ~~(ii)~~(b) When a federal refund results from transactions or conditions which  
6 arise after the close of the taxable year for which the refund is made, such federal  
7 refund shall be taken into account, for purposes of this Part, for the taxable year in  
8 which arose the transactions or conditions causing the refund.

9 ~~(c)~~(2) Taking federal adjustments into account. A payment of additional  
10 federal tax upon income which has borne Louisiana tax shall be taken into account  
11 by decreasing taxable income. That portion, if any, of such additional federal tax  
12 payment which would be disallowed as a deduction under either R.S. 47:287.81 or  
13 R.S. 47:287.83 shall be excluded from such adjustment. Refunds or credits of federal  
14 overpayments, including refunds or credits created by the carryback of a federal net  
15 operating loss, shall be taken into account by increasing Louisiana net income or  
16 decreasing the Louisiana net loss, as the case may be. That portion, if any, of the  
17 federal refund or credit of an overpayment which has not previously been charged  
18 against or deducted from Louisiana net income shall be excluded from such  
19 adjustment.

20 ~~(d)~~(3) Adjustments made to the Louisiana return. Adjustments to a return  
21 filed pursuant to this Part, whether initiated by the secretary or the taxpayer, shall be  
22 taken into account in the taxable year for which the return was filed in accordance  
23 with rules, regulations, or forms prescribed by the secretary.

24 ~~(2)~~(4) If a deduction is claimed and allowed in any period, the same  
25 deduction cannot again be claimed in a subsequent period in which it otherwise  
26 would be properly deductible, unless the taxpayer, prior to the running of  
27 prescription with respect to the first period, shall have amended his return for that  
28 period so as to eliminate the deduction and shall have paid any additional tax which



1 Legislature is adopted at a statewide election and becomes effective and if both of the Acts  
2 that originated as House Bill No. 278 and Senate Bill No. 161 of this 2021 Regular Session  
3 of the Legislature are enacted and become law.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_