
DIGEST

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HB 917 Original

2022 Regular Session

Beaulieu

Abstract: Reduces the highest rate for purposes of calculating individual income tax liability and the tax liability of estates and trusts from 4.25% to 3.99%.

Present law provides for a tax to be assessed, levied, collected, and paid upon the taxable income of an individual at the following rates:

- (1) 1.85% on the first \$12,500 of net income.
- (2) 3.5% on the next \$37,500 of net income.
- (3) 4.25% on net income in excess of \$50,000.

Proposed law retains the lowest and middle income tax rates set forth in present law but reduces the highest rate from 4.25% to 3.99% on net income in excess of \$50,000.

Present law requires the brackets provided for in present law to be doubled in the case of a joint return filed by a husband and wife.

Present law provides for a tax to be assessed, levied, collected, and paid on the La. taxable income of an estate or trust at the following rates:

- (1) 1.85% on the first \$10,000 of La. taxable income.
- (2) 3.5% on the next \$40,000 of La. taxable income.
- (3) 4.25% on La. taxable income in excess of \$50,000.

Proposed law retains the lowest and middle tax rates set forth in present law for estates and trusts but reduces the highest rate from 4.25% to 3.99% on La. taxable income in excess of \$50,000.

Proposed law is applicable to taxable periods beginning on or after Jan. 1, 2023.

Effective Jan. 1, 2023.

(Amends R.S. 47:32(A)(3) and 300.1(3))