

2022 Regular Session

HOUSE BILL NO. 943

BY REPRESENTATIVE DEVILLIER

TAX/INCOME TAX: Reduces the tax rates for purposes of calculating individual income tax liability and the tax liability for estates and trusts

1 AN ACT

2 To amend and reenact R.S. 47:32(A) and 300.1, relative to the individual and fiduciary
3 income tax; to reduce the rates for purposes of calculating individual and fiduciary
4 income tax liability; to provide for applicability; to provide for an effective date; and
5 to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:32(A) and 300.1 are hereby amended and reenacted to read as
8 follows:

9 §32. Rates of tax

10 A. On individuals. The tax to be assessed, levied, collected, and paid upon
11 the taxable income of an individual shall be computed at the following rates:

12 (1) One and ~~eighty-five one hundredths~~ six tenths percent on that portion of
13 the first twelve thousand five hundred dollars of net income which is in excess of the
14 credits against net income provided for in R.S. 47:79.

15 (2) Three and ~~one-half~~ twenty-five hundredths percent on the next thirty-
16 seven thousand five hundred dollars of net income.

17 (3) Four and ~~twenty-five one hundredths~~ percent on any amount of net
18 income in excess of fifty thousand dollars of net income.

19 * * *

1 §300.1. Tax imposed

2 There is imposed an income tax for each taxable year upon the Louisiana
3 taxable income of every estate or trust, whether resident or nonresident. The tax to
4 be assessed, levied, collected, and paid upon the Louisiana taxable income of an
5 estate or trust shall be computed at the following rates:

6 (1) One and ~~eighty-five hundredths~~ six tenths percent on the first ten
7 thousand dollars of Louisiana taxable income.

8 (2) Three and ~~one-half~~ twenty-five hundredths percent on the next forty
9 thousand dollars of Louisiana taxable income.

10 (3) Four and ~~twenty-five one hundredths~~ percent on Louisiana taxable
11 income in excess of fifty thousand dollars.

12 Section 2. The provisions of this Act shall be applicable to taxable periods beginning
13 on or after January 1, 2023.

14 Section 3. This Act shall become effective upon signature by the governor or, if not
15 signed by the governor, upon expiration of the time for bills to become law without signature
16 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
17 vetoed by the governor and subsequently approved by the legislature, this Act shall become
18 effective on the day following such approval.

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 943 Original

2022 Regular Session

DeVillier

Abstract: Reduces the rates for purposes of calculating individual income tax liability and the tax liability of estates and trusts by .25% of the rate for each bracket of the tax.

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 reduces individual income tax rates as follows:

- (1) From 1.85% to 1.6% on the first \$12,500 of net income.
- (2) From 3.5% to 3.25% on the next \$37,500 of net income.
- (3) From 4.25% to 4% 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 changes income tax rates on estates and trusts as follows:

- (1) From 1.85% on the first \$10,000 of La. taxable income to 1.6% on the first \$10,000 of La. taxable income.
- (2) From 3.5% on the next \$40,000 of La. taxable income to 3.25% on the next \$40,000 of La. taxable income.
- (3) From 4.25% on La. taxable income in excess of \$50,000 to 4% on La. taxable income in excess of \$50,000.

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

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

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