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## DIGEST

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HB 437 Original

2023 Regular Session

Nelson

**Abstract:** Changes the corporation income tax from a graduated schedule of rates dependent on the taxable income of the taxpayer to a flat rate of 5%.

Present law requires a tax to be assessed, levied, collected, and paid on the La. taxable income of every corporation to be computed at the following rates:

- (1) 3.5% on the first \$50,000 of La. taxable income.
- (2) 5.5% on La. taxable income above \$50,000 but not in excess of \$150,000.
- (3) 7.5% on all La. taxable income in excess of \$150,000.

Proposed law changes present law by deleting the graduated schedule of rates dependent on the amount of taxable income of the taxpayer and providing for a flat 5% corporation income tax rate.

Effective Jan. 1, 2026, and applicable to all taxable periods beginning on or after Jan. 1, 2026.

(Amends R.S. 47:287.12)