
DIGEST

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HB 133 Original

2025 Regular Session

Willard

Abstract: Increases the amount of the state earned income tax credit from 5% to 10% of the amount of the taxpayer's federal earned income tax credit through tax year 2030.

Present law provides for an individual income tax credit based on the taxpayer's federal earned income tax credit authorized under Section 32 of the Internal Revenue Code. The amount of the credit is 5% of the amount of the taxpayer's federal earned income tax credit through Dec. 31, 2030. Beginning Jan. 1, 2031, the amount of the credit is 3.5% of the amount of the taxpayer's federal earned income tax credit.

Proposed law retains present law but increases the amount of the state credit from 5% to 10% of the amount of the taxpayer's federal earned income tax credit through tax year 2030.

Present law provides that if the credit amount exceeds the taxpayer's tax liability for the taxable year, the excess credit amount shall constitute an overpayment and shall be refunded to the taxpayer from the current collections of the taxes imposed under present law.

Proposed law retains present law.

Proposed law applicable for tax years beginning on or after Jan. 1, 2026.

Effective Jan. 1, 2026.

(Amends R.S. 47:297.8(A)(2))