2025 Regular Session

HOUSE BILL NO. 168

BY REPRESENTATIVE YOUNG

TAX/INCOME TAX: Authorizes income tax deductions for income earned by an intercollegiate athlete and compensation paid by a taxpayer for use of an intercollegiate athlete's name, image, or likeness

1	AN ACT
2	To amend and reenact R.S. 47:293(10) and to enact R.S. 47:287.71(B)(10), 287.748,
3	293(9)(a)(ii), and 297.6, relative to income tax; to authorize an individual income tax
4	deduction for compensation earned by certain athletes; to authorize a corporation
5	income tax deduction for compensation paid to certain athletes; to provide for
6	definitions; to provide for the amount of the deduction; to provide for requirements
7	and limitations; to authorize the promulgation of rules and regulations; 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. 47:293(10) is hereby amended and reenacted and R.S.
11	47:287.71(B)(10), 287.748, 293(9)(a)(ii), and 297.6 are hereby enacted to read as follows:
12	§287.71. Modifications to federal gross income
13	* * *
14	B. There shall be subtracted from gross income determined under federal
15	law, unless already excluded therefrom, the following items:
16	* * *
17	(10) Amounts eligible for the deduction provided for in R.S. 47:287.748 paid
18	to an intercollegiate athlete for use of the athlete's name, image, or likeness.
19	* * *

Page 1 of 6

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	§287.748. Tax deduction; compensation paid to an intercollegiate athlete for use of
2	name, image, or likeness; requirements and limitations
3	A. There shall be allowed a deduction from federal gross income for
4	compensation a taxpayer pays to an intercollegiate athlete while the athlete is
5	attending a postsecondary education institution for use of the athlete's name, image,
6	or likeness. The amount of the deduction shall be equal to the actual amount of
7	compensation paid by the taxpayer per intercollegiate athlete or twelve thousand five
8	hundred dollars, whichever is less, for use of the intercollegiate athlete's name,
9	image, or likeness.
10	B. For purposes of this Section, the following terms shall have the following
11	meanings unless the context clearly indicates otherwise:
12	(1) "Intercollegiate athlete" means a student enrolled in a postsecondary
13	education institution who participates in an athletic program.
14	(2) "Postsecondary education institution" means a Louisiana public
15	postsecondary education institution or nonpublic postsecondary education institution
16	that receives or disburses any form of state financial assistance, including
17	scholarships and grants.
18	C. The deduction authorized pursuant to the provisions of this Section shall
19	not apply to compensation paid by a taxpayer to an intercollegiate athlete that is
20	prohibited pursuant to the provisions of R.S. 17:3703 and shall not apply to any
21	compensation paid to an intercollegiate athlete beyond his participation in an athletic
22	program at a postsecondary education institution.
23	D. The secretary of the Department of Revenue may promulgate rules and
24	regulations in accordance with the Administrative Procedure Act as are necessary to
25	implement the provisions of this Section.
26	* * *

1	§293. Definitions
2	The following definitions shall apply throughout this Part, unless the context
3	requires otherwise:
4	* * *
5	(9)(a) "Tax table income", for resident individuals, means adjusted gross
6	income plus interest on obligations of a state or political subdivision thereof, other
7	than Louisiana and its municipalities, title to which obligations vested with the
8	resident individual on or subsequent to January 1, 1980, and less:
9	* * *
10	(ii) The deduction for compensation earned by an intercollegiate athlete for
11	use of the athlete's name, image, or likeness provided for in R.S. 47:297.6.
12	* * *
13	(10) "Tax table income", for nonresident individuals, means the amount of
14	Louisiana income, as provided in this Part, allocated and apportioned under the
15	provisions of R.S. 47:241 through 247, less the proportionate amount of excess
16	federal itemized personal deductions; the temporary teacher deduction; the recreation
17	volunteer and volunteer firefighter deduction; the construction code retrofitting
18	deduction; any gratuitous grant, loan, or other benefit directly or indirectly provided
19	to a taxpayer by a hurricane recovery entity if such benefit was included in federal
20	adjusted gross income; any gratuitous grant, loan, rebate, tax credit, advance refund,
21	or other qualified disaster relief benefit directly or indirectly provided to a taxpayer
22	by the state or federal government as a COVID-19 relief benefit as defined in R.S.
23	47:297.16 if the benefit was included in the taxpayer's federal adjusted gross income;
24	the exclusion provided for in R.S. 47:297.3 for S Bank shareholders; salaries, wages,
25	or other compensation received for disaster or emergency-related work rendered
26	during a declared state disaster or emergency; wages of nonresident individuals who
27	are eligible for the mobile workforce exemption pursuant to R.S. 47:248; the
28	pass-through entity exclusion provided in R.S. 47:297.14; the exemption for military
29	survivor benefit plan payments pursuant to R.S. 47:297.17; the bonus depreciation

Page 3 of 6

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	deduction provided for in R.S. 47:297.25; the deduction for compensation earned by
2	an intercollegiate athlete for use of the athlete's name, image, or likeness as provided
3	for in R.S. 47:297.6; and the standard deduction provided for in R.S. 47:294. The
4	proportionate amount is to be determined by the ratio of Louisiana income to federal
5	adjusted gross income. When federal adjusted gross income is less than Louisiana
6	income, the ratio shall be one hundred percent.
7	* * *
8	§297.6. Tax deduction; compensation earned by an intercollegiate athlete for use of
9	name, image, or likeness; requirements and limitations
10	A. There shall be allowed a deduction from tax table income for
11	compensation earned by an intercollegiate athlete while attending a postsecondary
12	education institution for use of the athlete's name, image, or likeness. The amount
13	of the deduction authorized pursuant to the provisions of this Section shall be equal
14	to the actual amount of compensation earned by an intercollegiate athlete or twelve
15	thousand five hundred dollars, whichever is less, for use of the intercollegiate
16	athlete's name, image, or likeness.
17	B. For purposes of this Section, the following terms shall have the following
18	meanings unless the context clearly indicates otherwise:
19	(1) "Intercollegiate athlete" means a student enrolled in a postsecondary
20	education institution who participates in an athletic program.
21	(2) "Postsecondary education institution" means a Louisiana public
22	postsecondary education institution or nonpublic postsecondary education institution
23	that receives or disburses any form of state financial assistance, including
24	scholarships and grants.
25	C. The deduction authorized pursuant to the provisions of this Section shall
26	not apply to compensation earned by an intercollegiate athlete that is prohibited
27	pursuant to the provisions of R.S. 17:3703 and shall not apply to any compensation
28	earned by an intercollegiate athlete beyond his participation in an athletic program
29	at a postsecondary education institution.

1 D. The secretary of the Department of Revenue may promulgate rules and 2 regulations in accordance with the Administrative Procedure Act as are necessary to 3 implement the provisions of this Section. 4 Section 2. The provisions of this Act shall be applicable to compensation earned by 5 or paid to an intercollegiate athlete while attending a postsecondary education institution on 6 or after January 1, 2026. 7 Section 3. This Act shall become effective on January 1, 2026.

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	168	Original	
110	100	Oliginal	

2025 Regular Session

Young

Abstract: Authorizes an individual income tax deduction of up to \$12,500 earned by an intercollegiate athlete for use of the athlete's name, image, or likeness and a corporation income tax deduction of up to \$12,500 per athlete for compensation paid for use of an intercollegiate athlete's name, image, or likeness.

<u>Proposed law</u> authorizes an individual income tax deduction for compensation earned by an intercollegiate athlete while attending a postsecondary education institution for use of the athlete's name, image, or likeness. <u>Proposed law</u> limits the amount of the deduction to the actual amount of compensation earned by an intercollegiate athlete for use of the athlete's name, image, or likeness or \$12,500, whichever is less.

<u>Proposed law</u> authorizes a corporate income tax deduction for compensation a taxpayer pays to an intercollegiate athlete while the athlete is attending a postsecondary education institution for use of the athlete's name, image, or likeness. <u>Proposed law</u> limits the amount of the deduction to the actual amount of compensation paid by the taxpayer per intercollegiate athlete for use of the athlete's name, image, or likeness or \$12,500, whichever is less.

<u>Proposed law</u> defines an "intercollegiate athlete" as a student enrolled in a postsecondary education institution who participates in an athletic program. Further defines a "postsecondary education institution" as a La. public postsecondary education institution or nonpublic postsecondary education institution that receives or disburses any form of state financial assistance, including scholarships and grants.

<u>Proposed law</u> excludes compensation earned by an intercollegiate athlete or paid to an intercollegiate athlete for use of the athlete's name, image, or likeness to endorse tobacco, alcohol, illegal substances or activities, banned athletic substances, or any form of gambling or gaming, including sports wagering or for compensation paid or earned beyond the athlete's participation in an athletic program at a postsecondary education institution.

<u>Proposed law</u> authorizes the secretary of the Dept. of Revenue to promulgate rules in accordance with the Administrative Procedure Act to implement the provisions of <u>proposed</u> law.

<u>Proposed law</u> applies to compensation earned by or paid to an intercollegiate athlete while the athlete is attending a postsecondary education institution on or after Jan. 1, 2026.

Effective Jan. 1, 2026.

(Amends R.S. 47:293(10); Adds R.S. 47:287.71(B)(10), 287.748, 293(9)(a)(ii), and 297.6)