
DIGEST

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HB 402 Original

2025 Regular Session

Knox

Abstract: Authorizes individual income tax deductions for La. taxpayers 65 years of age or older and La. veterans who have a service-connected disability rating of 50% or more equal to the amount of the standard deduction for single individual filers (\$12,500).

Present law authorizes a standard deduction for resident taxpayers when determining a taxpayer's tax liability, the amount of which is dependent on the filing status of the taxpayer claiming the deduction. Present law provides that the amount of the standard deduction for single filers is \$12,500; however beginning Jan. 1, 2026, the amount of the standard deduction shall be adjusted annually by the percentage increase in the Consumer Price Index United States city average for all urban consumers (CPI-U), as reported by the U.S. Dept. of Labor, Bureau of Labor Statistics.

Proposed law retains present law.

Proposed law provides that in addition to the standard deduction, each La. resident 65 years of age or older and each La. resident who is a veteran and has a service-connected disability rating of 50% or more by the U.S. Dept. of Veteran Affairs shall be allowed an income tax deduction for an amount equal to the amount of standard deduction applicable for single individuals as provided for in present law.

Proposed law requires a taxpayer claiming the deduction to maintain all records necessary to verify his eligibility and if requested, to provide the records to the Dept. of Revenue (DOR) when filing the taxpayer's tax return.

Proposed law authorizes DOR to promulgate rules in accordance with the Administrative Procedure Act to implement the provisions of proposed law.

Proposed law is applicable to all taxable periods beginning on or after Jan. 1, 2026.

Effective January 1, 2026.

(Adds R.S. 47:293(9)(a)(xxvii) and (xxviii), 297.26, and 297.27)