
DIGEST

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HB 489 Original

2025 Regular Session

Mandie Landry

Abstract: Changes the state tax levied on the net income of individuals from a flat 3% tax to a two bracket system with the imposition of a 3% tax on the first \$500,000 of net income and a tax of 4.75% on net income in excess of \$500,000.

Present law provides for a tax to be assessed, levied, collected, and paid upon the taxable income of an individual at the rate of 3% on net income.

Proposed law changes present law with respect to the rate by changing from a flat 3% tax rate on all income to a two bracket system with the imposition of a 3% tax on the first \$500,000 of net income and a 4.75% tax on net income in excess of \$500,000.

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

Effective Jan. 1, 2026.

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