
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Riley Boudreaux.

DIGEST

Shaw (SB 87)

Proposed law provides a reduction of individual income tax rates in the two highest brackets to the same amounts as provided for prior to the enactment of the Stelly Plan (Act 51 of 2002), as follows:

Present law levies a rate of 2% on the first \$12,500 of net income.

Proposed law does not change present law.

Present law levies a rate of 4% on the next \$12,500 of net income, and 6% on net income above \$25,000.

Proposed law levies the 4% rate on the next \$37,500 of net income, thus reducing the rate to 4% for those with net incomes between \$25,001 and \$50,000, now subject to 6% under present law.

Effective upon signature of the governor or lapse of time for gubernatorial action and applies to all tax years beginning after December 31, 2007.

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

Summary of Amendments Adopted by Senate

Senate Floor Amendments to original bill.

1. Deletes provisions immediately restoring the full deduction for "excess federal itemized deductions."