
The original instrument was prepared by Angela Lockett De Jean. The following digest, which does not constitute a part of the legislative instrument, was prepared by Riley Boudreaux.

DIGEST

Erdey (SB 198)

Proposed law exempts investment income for individuals 65 years of age or older from state income tax.

Proposed law provides that the exemption of the investment income shall be phased-in over a five year period as follows:

- (1) For tax years beginning in 2011, 20% of the investment income.
- (2) For tax years beginning in 2012, 40% of the investment income.
- (3) For tax years beginning in 2013, 60% of the investment income.
- (4) For tax years beginning in 2014, 80% of the investment income.
- (5) For tax years beginning on January 1, 2015 and after, 100% of the investment income.

Proposed law defines "investment income" to include dividend and interest income.

Effective for all taxable periods beginning after Dec. 31, 2010.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 47:297.13)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill.

1. Deletes the clause restricting investment income to dividend and interest income from certificate of deposits, mutual funds, stocks and bonds, mortgages, and notes receivables.