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The original instrument was prepared by Jerry J. Guillot. The following digest, which does not constitute a part of the legislative instrument, was prepared by Riley Boudreaux.

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## DIGEST

Marionneaux (SB 259)

Present law provides tax rates on individual and corporate income as follows:

### Individual rates

2% of the first \$12,500 of net income which is in excess of the credits against net income provided for in present law.

4% percent on the next \$37,500 of net income.

6% on any amount of net income in excess of \$50,000 of net income.

### Corporate rates

4% on the first \$25,000 of net income.

5% on the amount of net income above \$25,000 but not in excess of \$50,000.

6% on the amount of net income above \$50,000 but not in excess of \$100,000.

7% on the amount of net income above \$100,000 but not in excess of \$200,000.

8% on all net income in excess of \$200,000.

Proposed law phases-out individual and corporate income tax over 10 calendar years by reducing the above rates 10% per calendar year, beginning with calendar year 2013 and ending in calendar year 2022, when no individual or corporate income tax would be due.

For tax years beginning in 2013, tax would be assessed at 90% of the rates above; for tax years beginning in 2014, 80%; 2015, 70%, etc.

Effective August 15, 2011.

(Adds R.S. 47:32(D))

### Summary of Amendments Adopted by Senate

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

1. Changes the bill from a 4-year phase out of individual and corporate income tax beginning in 2011 and ending in 2015, when no tax would be due to the 10-year phase out described above.