

Regular Session, 2013

HOUSE BILL NO. 268

BY REPRESENTATIVE FOIL

TAX/INCOME TAX: Authorizes an income tax deduction for taxpayers who employ certain qualified disabled individuals

1 AN ACT

2 To enact R.S. 47:297.13, relative to income taxation; to provide relative to individual and  
3 corporation income tax deductions; to authorize an income tax deduction for  
4 taxpayers who employ certain qualified disabled individuals; to provide for certain  
5 definitions; to provide for certain requirements and limitations; to provide for an  
6 effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:297.13 is hereby enacted to read as follows:

9 §297.13. Tax deduction; employment of certain qualified disabled individuals;  
10 requirements; limitations

11 A.(1) There shall be allowed a deduction from income taxes imposed by this  
12 Chapter for each taxpayer who provides continuous employment to a qualified  
13 disabled individual. A taxpayer shall be eligible to claim the deduction provided for  
14 in this Section after employing a qualified disabled individual for four continuous  
15 months for no less than an average of twenty hours a week.

16 (2) For purposes of this Section, the term "qualified disabled individual"  
17 shall mean the following:

18 (a) A person with a severe, chronic disability that is attributable to an  
19 intellectual or physical impairment or combination of intellectual and physical  
20 impairments that is manifested before the person reaches the age of twenty-two and

1 is likely to continue indefinitely which results in substantial functional limitations  
2 in three of more major areas of life activity, including but not limited to self-care,  
3 receptive and expressive language, learning, mobility, self-direction, capacity for  
4 independent living, and economic self-sufficiency. A qualified disabled individual,  
5 as defined in this Subparagraph, shall include individuals who have been determined  
6 to be eligible for services through the Office for Citizens with Developmental  
7 Disabilities or the Louisiana Rehabilitation Services.

8 (b) A person who has a service-connected disability rating of fifty percent  
9 or more as designated by the United States Department of Veterans Affairs.

10 B. The amount of the income tax deduction shall be equal to fifty percent of  
11 the gross wages paid to a qualified disabled individual during the individual's first  
12 four continuous months of employment and thirty percent of the gross wages paid  
13 to the qualified disabled individual during each subsequent continuous month of  
14 employment. The taxpayer shall be entitled to the deduction for each qualified  
15 disabled individual he employs each taxable year.

16 C. The taxpayer claiming this deduction shall maintain all records necessary  
17 to verify that the employer and the qualified disabled individual for which the  
18 taxpayer is claiming the deduction meets all of the requirements as provided for in  
19 this Section.

20 Section 2. This Act shall become effective upon signature by the governor or, if not  
21 signed by the governor, upon expiration of the time for bills to become law without signature  
22 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
23 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
24 effective on the day following such approval.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB No. 268

**Abstract:** Authorizes an income tax deduction for taxpayers who employ qualified disabled individuals.

Proposed law authorizes an income tax deduction for each taxpayer who provides continuous employment to a qualified disabled individual. A taxpayer is eligible to claim the deduction after employing a qualified disabled individual for four continuous months for no less than an average of 20 hours a week.

Proposed law defines a "qualified disabled individual" as either of the following:

- (1) A person with a severe, chronic disability attributable to an intellectual or physical impairment or combination of these impairments that is manifested before the age of 22 and is likely to continue indefinitely which results in substantial functional limitations. A qualified disabled individual shall include individuals who have been determined to be eligible for services through the Office for Citizens with Developmental Disabilities or the Louisiana Rehabilitation Services.
- (2) A person who has a service-connected disability rating of 50% or more as designated by the U. S. Dept. of Veterans Affairs.

Proposed law provides that the amount of the deduction is equal to 50% of the gross wages paid to a qualified disabled individual during the first four continuous months of employment and 30% of the gross wages paid to the individual during each subsequent continuous month of employment. Further provides that the taxpayer is entitled to the deduction for each qualified disabled individual he employs each taxable year.

Proposed law requires the taxpayer claiming this deduction to maintain all records necessary to verify that the employer and the qualified disabled individual for which the taxpayer is claiming the deduction meets all of the requirements as provided for in proposed law.

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

(Adds R.S. 47:297.13)