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## DIGEST

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Ritchie

HB No. 394

**Abstract:** Reduces the rate of tax on the net income of individuals.

Present law provides that the tax to be assessed, levied, collected and paid upon the taxable income of an individual shall be computed at the following rates:

- (1) 2% on the first \$12,500 of net income.
- (2) 4% on the next \$37,500 of net income.
- (3) 6% on any amount of net income in excess of \$50,000.

Proposed law reduces the present law rates of the tax on the net income of individuals as follows:

- (1) 1% on the first \$12,500 of net income.
- (2) 3% on the next \$37,500 of net income.
- (3) 5% on any amount of net income in excess of \$50,000.

Effective Jan. 1, 2014, and applicable to all tax years beginning on and after Jan. 1, 2014.

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