DIGEST

Katrina Jackson   HB No. 536

Abstract: Requires federal income taxes paid to be allowed as a deductible item in computing state individual income tax and *authorizes* the deductibility of such taxes in computing corporate income tax.

Present constitution authorizes equal and uniform taxes to be levied on net incomes. Further authorizes the rates for these taxes to be graduated according to the amount of net income of the taxpayer; however, the state individual and joint income tax schedule of rates and brackets shall never exceed the rates and brackets as they existed on Jan. 1, 2003.

Present constitution authorizes federal income taxes paid to be allowed as a deductible item in computing state income taxes for the same period.

Proposed constitutional amendment changes present constitution to provide that federal income taxes paid *shall* be allowed as a deduction in computing state individual income tax. Further *authorizes* the deductibility of such taxes in computing state corporate tax.

Provides for submission of the proposed amendment to the voters at a special statewide election to be held Oct. 19, 2013, as provided by law.

Effective Jan. 1, 2014.

(Amends Const. Art. VII, §4(A))