
DIGEST

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Katrina Jackson

HB No. 712

Abstract: Requires the secretary of the Dept. of Revenue to uniformly reduce the amount of income and corporation franchise tax credits, not to exceed 15%, in the event a budget deficit is projected.

Proposed law provides that beginning July 1, 2013, in the event a projected budget deficit exists in accordance with present constitution and present law, the secretary of the Dept. of Revenue is hereby authorized and directed to uniformly reduce the amount of all statutory income and corporation franchise tax credits, excluding any constitutionally protected or mandated tax credits, in a proportionate amount. The reduction in the total amount of state liability for the payment of tax credits and shall allow application of the monies realized to address the budget deficit.

Proposed law provides that the reductions shall occur as follows:

- (1) If the amount of the projected budget deficit is more than five hundred million dollars and no more than seven hundred fifty million dollars, the reduction shall be 5%.
- (2) If the amount of the projected budget deficit is more than seven hundred fifty million dollars and no more than one billion dollars, the reduction shall be 10%.
- (3) If the amount of the projected budget deficit is more than one billion dollars the reduction shall be 15%.

Effective July 1, 2013.

(Adds R.S. 47:1524)