

2015 Regular Session

HOUSE BILL NO. 550

BY REPRESENTATIVES THIERRY, BURRELL, COX, GAINES, HALL, HUNTER,
JACKSON, JAMES, TERRY LANDRY, PIERRE, SMITH, AND WOODRUFF

TAX/INCOME TAX: Reduces the individual income tax rates for purposes of computing
individual income tax liability

1 AN ACT

2 To amend and reenact R.S. 47:32(A), relative to individual income tax; to reduce individual
3 income tax rates; to provide for effectiveness; and to provide for related matters.

4 Be it enacted by the Legislature of Louisiana:

5 Section 1. R.S. 47:32(A) is hereby amended and reenacted to read as follows:

6 §32. Rates of tax

7 A. On individuals. The tax to be assessed, levied, collected and paid upon
8 the taxable income of an individual shall be computed at the following rates:

9 (1) ~~Two~~ One percent on that portion of the first twelve thousand five
10 hundred dollars of net income which is in excess of the credits against net income
11 provided for in R.S. 47:79;

12 (2) ~~Four~~ Three percent on the next thirty-seven thousand five hundred dollars
13 of net income;

14 (3) ~~Six~~ Five percent on any amount of net income in excess of fifty thousand
15 dollars of net income.

16 * * *

17 Section 2. The provisions of this Act applicable for all tax years beginning on and
18 after January 1, 2015.

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)]

HB 550 Original

2015 Regular Session

Thierry

Abstract: Reduces the individual income tax rates for purposes of calculating individual income liability from 2%, 4%, and 6% to 1%, 3%, and 5% respectively.

Present law provides for a tax to be assessed, levied, collected, and paid upon the taxable income of an individual 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 net income in excess of \$50,000.

Proposed law reduces individual income tax rates as follows:

- (1) From 2% to 1% on the first \$12,500 of net income;
- (2) From 4% to 3% on the next \$37,500 of net income;
- (3) From 6% to 5% on net income in excess of \$50,000.

Applicable for all tax years beginning on and after Jan. 1, 2015.

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