
DIGEST

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HB 624 Original

2015 Regular Session

Jackson

Abstract: Reduces the amount of certain corporate income tax exclusions and deductions.

Present law provides an exclusion from corporate income taxation for a corporation classified under Subchapter S of the Internal Revenue Code as an S corporation in an amount equal to the La. net income multiplied by a number derived from the number of issued and outstanding shares of capital stock held by La. shareholders divided by the number of total number of issued and outstanding shares of capital stock of the corporation on the corporation's last taxable year.

Proposed law retains present law but reduces the amount of the La. net income used to determine the amount of the exclusion from the full amount of the La. net income to 80% of the La. net income.

Present law authorizes a deduction from gross income of a corporation in an amount equal to interest and dividend income included on the federal income tax return.

Proposed law retains present law but reduces the amount from the full amount of dividends to 80% of the amount of dividends that would be included in income.

Effective beginning July 1, 2015

(Amends R.S. 47:287.732(B)(2) and 287.738(F)(1))