
HOUSE COMMITTEE AMENDMENTS

2015 Regular Session

Amendments proposed by House Committee on Ways and Means to Original House Bill No. 624 by Representative Jackson

AMENDMENT NO. 1

On page 1, line 2, after "reenact" delete the remainder of the line and insert the following:

"R.S. 6:662, R.S. 12:302(L) and 425, R.S. 47:48, 51, 158(C) and (D), 246(A), 287.71(B)(2), (3), (4), and (6), 287.73(C)(4), 287.86(A)(introductory paragraph), 287.732(B)(2), 287.738(F)(1) and (G), and 287.745(B), and R.S. 51:3092, relative to corporate"

AMENDMENT NO. 2

On page 1, line 8, after "Section 1." delete the remainder of the line and insert "R.S. 6:662 is hereby amended and"

AMENDMENT NO. 3

On page 1, between lines 9 and 10, insert the following:

"§662. Taxation

A. A credit union is an institution for savings. ~~It, together with all accumulations therein, is not~~ Except as provided for in this Section, a credit union shall not be subject to taxation except as to immovable property owned and a certain portion of the stock transfer tax.

B. The shares of a credit union ~~are not~~ shall only be subject to a twenty percent of the stock transfer tax when issued by the corporation or when transferred from one member to another. No fees ~~or taxes~~ nor any of the stipulations as to capital stock set forth in general statutes for corporations apply to credit unions.

Section 2. R.S. 12:302(L) and 425 are hereby amended and reenacted to read as follows:

§302. Acts not considered transacting business

Without excluding other activities which may not constitute transacting business in this state, a foreign corporation or a business association shall not be considered to be transacting business in this state, for the purpose of being required to procure a certificate of authority pursuant to R.S. 12:301, by reason of carrying on in this state any one or more of the following activities:

* * *

L. No foreign corporation or business association of the type described in Subsection K of this section and confining its business operations in Louisiana to the activities described in said Subsection K shall be required to pay ~~any~~ greater than twenty percent of ~~any~~ tax or ~~any~~ fee required to be paid by foreign corporations or business associations under any law of this state; such exemption, however, shall not include ad valorem taxes assessed against any real property which such foreign corporations or

1 business associations may own in this state. Nothing in this section shall be
2 construed to permit any foreign corporation or business association to do
3 business in violation of the small loan law of this state, nor of the laws of
4 Louisiana governing the organization and operation of homesteads, building
5 and loan associations or societies, or savings and loan associations or
6 societies.

7 * * *

8 §425. Taxation

9 Each cooperative shall pay annually, on or before the first day of July,
10 to the department of revenue, a fee of ten dollars for each one hundred
11 persons or fraction thereof to whom electricity is supplied within the state by
12 it, but shall be exempt from eighty percent of all other excise and income
13 taxes whatsoever.

14 Section 3. R.S. 47:48, 51, 158(C) and (D), 246(A), 287.71(B)(2), (3),
15 (4), and (6), 287.73(C)(4), 287.86(A)(introductory paragraph),
16 287.732(B)(2), 287.738(F)(1) and (G), and 287.745(B) are hereby amended
17 and reenacted to read as follows:

18 §48. Exclusion from gross income; interest on Louisiana state or local
19 government obligations

20 ~~The~~ Eighty percent of the amount of interest received upon
21 obligations of the State of Louisiana, or any political or municipal
22 subdivision thereof, to such extent as is now exempt by law shall not be
23 included in gross income.

24 * * *

25 §51. Exclusions from gross income; governmental subsidies

26 ~~Funds~~ Eighty percent of funds accrued by a corporation engaged in
27 operating a public transportation system from any federal, state or municipal
28 governmental entity to subsidize the operation and maintenance of such a
29 transportation system shall not be included in gross income and shall be
30 exempt from taxation under this Chapter. All expenses of operating the
31 transit system incurred by the corporation shall be deductible in arriving at
32 net income.

33 * * *

34
35 §158. Basis for depletion

36 * * *

37 C. Percentage depletion for oil and gas wells. In the case of oil and
38 gas wells the allowance for depletion under R.S. 47:66 shall be ~~twenty-two~~
39 ~~percentum~~ eighteen percent of the gross income from the property during the
40 taxable year, excluding from such gross income an amount equal to eighty
41 percent of any rents or royalties paid or incurred by the taxpayer in respect
42 of the property. Such allowance shall not exceed ~~fifty~~ forty percent of the net
43 income of the taxpayer, computed without allowance for depletion, from the
44 property except that in no case shall the depletion allowance under R.S.
45 47:66 be less than it would be if computed without reference to this
46 Subsection.

1 D. Percentage depletion for coal and metal mines and sulphur. The
 2 allowance for depletion under R.S. 47:66 shall be, in the case of coal mines,
 3 ~~five per centum (5%)~~ four percent, in the case of metal mines, ~~fifteen per~~
 4 ~~centum (15%)~~ twelve percent, and in the case of sulphur mines or deposits,
 5 ~~twenty-three per centum (23%)~~ eighteen percent, of the gross income from
 6 the property during the taxable year, excluding from such gross income an
 7 amount equal to eighty percent of any rents or royalties paid or incurred by
 8 the taxpayer in respect of the property. Such allowance shall not exceed ~~fifty~~
 9 ~~per centum (50%)~~ forty percent of the net income of the taxpayer (computed
 10 without allowance for depletion) from the property. A taxpayer making his
 11 first return under this Chapter or under Act 21 of 1934 in respect of a
 12 property, shall state whether he elects to have the depletion allowance for
 13 such property for the taxable year for which the return is made computed
 14 with or without regard to percentage depletion, and the depletion allowance
 15 in respect of such property for such year and all succeeding taxable years
 16 shall be computed according to the election thus made. If the taxpayer fails
 17 to make such statement in the return, the depletion allowance for such
 18 property for all taxable years shall be computed without reference to
 19 percentage depletion. This Sub-section shall not be construed as granting a
 20 new election to any taxpayer relative to any property with respect to which
 21 he has filed a return under Act 21 of 1934.

22 * * *

23 §246. Corporations; deduction from net income from Louisiana sources

24 A. Subject to the limitations provided herein, there shall be deducted
 25 from any net income from Louisiana sources determined under the provisions
 26 of R.S. 47:241 of a corporation for any year following the close of the first
 27 taxable year which commenced on or after January 1, 1979 and prior to
 28 January 1, 2015, the amount of net Louisiana loss incurred in a preceding
 29 year determined as provided in Subsection B of this Section. For taxable
 30 years beginning on or after January 1, 2015, the amount of the deduction
 31 allowed shall be eighty percent of the amount of net Louisiana loss incurred
 32 in a preceding year determined as provided in Subsection B of this Section.

33 * * *

34 §287.71. Modifications to federal gross income

35 * * *

36 B. There shall be subtracted from gross income determined under
 37 federal law, unless already excluded therefrom, the following items:

38 * * *

39 (2) ~~Funds~~ Eighty percent of the funds accrued by a corporation
 40 engaged in operating a public transportation system from any federal, state,
 41 or municipal governmental entity to subsidize the operation and maintenance
 42 of such a transportation system.

43 (3) ~~Refunds~~ Eighty percent of the refunds of Louisiana corporation
 44 income tax received during the taxable year.

45 (4) ~~Interest~~ Eighty percent of the interest on obligations or securities
 46 issued by the state of Louisiana or its political or municipal subdivisions.

47 * * *

1 (6) ~~Amounts~~ Eighty percent of the amounts received as dividend
 2 income from banking corporations organized under the laws of Louisiana,
 3 from national banking corporations doing business in Louisiana, and from
 4 capital stock associations whose stock is subject to ad valorem taxation.

5 * * *

6 §287.73. Modifications to deductions from gross income allowed by federal
 7 law

8 * * *

9 C. Additions. The following items are declared allowable as
 10 deductions in the computation of net income and shall be added to the
 11 deductions allowed under federal law to the extent not already included
 12 therein:

13 * * *

14 (4) Expenses disallowed by I.R.C. Section 280(C). ~~Expenses~~ Eighty
 15 percent of expenses which would otherwise be deductible under federal law,
 16 but for the disallowance provisions of I.R.C. Section 280(C), relative to
 17 certain expenses for which credits are allowable.

18 * * *

19 §287.86. Net operating loss deduction

20 A. Deduction from Louisiana net income. Except as otherwise
 21 provided, there shall be allowed for the taxable year an adjustment reducing
 22 Louisiana net income in an amount equal to eighty percent of the aggregate
 23 of:

24 * * *"

25 AMENDMENT NO. 4

26 On page 2, delete lines 11 through 13 and insert the following:

27 "G. Deduction for hurricane recovery benefits. ~~Any~~ Eighty percent
 28 of any gratuitous grant, loan, or other benefit directly or indirectly provided
 29 to a taxpayer by a hurricane recovery entity as defined in R.S. 47:293 shall
 30 be allowed as a deduction if such benefit was included in federal adjusted
 31 gross income.

32 * * *

33 §287.745. Deductions from gross income; depletion

34 * * *

35 B. In the case of oil and gas wells, the percentage depletion provided
 36 for in Subsection A shall be ~~twenty-two~~ eighteen percent of gross income
 37 from the property during the taxable year, excluding from such gross income
 38 an amount equal to eighty percent any rents or royalties paid or incurred by
 39 the taxpayer in respect of the property. Such allowance shall not exceed ~~fifty~~
 40 forty percent of the net income of the taxpayer, computed without allowance
 41 for depletion, from the property. In determining net income from the
 42 property, federal income taxes shall be considered an expense.

43 Section 4. R.S. 51:3092 is hereby amended and reenacted to read as follows:

44
 45 §3092. Corporation income and franchise tax exemption

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Notwithstanding any other provision of law to the contrary, any corporation that is a LCDFI as provided for in this Chapter shall be exempt from the corporation income tax and the corporation franchise tax levied pursuant to Title 47 of the Louisiana Revised Statutes of 1950 for ~~five~~ four consecutive taxable periods. The exemption from the corporation income tax shall commence with the taxable period in which the capital company is certified by the commissioner. The exemption from the corporation franchise tax shall commence with the taxable period next following the taxable period in which certification as a LCDFI is obtained from the commissioner.

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Section 5. The provisions of this Act shall apply to all exclusions from taxable income and all claims for deductions made on any return filed on or after July 1, 2015, regardless of the taxable year to which the return relates."