
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 83 Original

2016 First Extraordinary Session

Stokes

Abstract: Eliminates references to specific rates and brackets for individual income tax, and repeals the state sales and use tax exemptions for food for home consumption, residential utilities, and prescription drugs, contingent upon passage of HB No. ____ which provides for decreases in individual income tax and sales and use tax.

Present law imposes a state sales and use tax on tangible personal property.

Present constitution authorizes equal and uniform taxes to be levied on net income. Further authorizes the rates for these taxes to be graduated according to the amount of the taxpayer's net income; however, the state individual and joint income tax schedule of rates and brackets are prohibited from exceeding the rates and brackets as they existed on Jan. 1, 2003.

Proposed constitutional amendment changes present constitution by eliminating references to specific limitations on individual income tax rates and brackets.

Present constitution exempts from the state sales and use tax food for home consumption, natural gas, electricity, and water sold directly to the consumer for residential use, and prescription drugs.

Proposed constitutional amendment repeals the exemptions.

Proposed constitutional amendment shall be submitted to the electors of the state of La. at the statewide election to be held on Nov. 8, 2016, only if the instrument which originated as House Bill No. ____ of this 2016 1st E.S. of the Legislature is enacted and becomes effective.

Effective January 1, 2017; contingent upon passage of House Bill No. ____ of the 2016 1st E.S.

(Amends Const. Art. VII, Section 4(A); Repeals Const. Art. VII, §2.2)