

SENATE FLOOR AMENDMENTS

2016 First Extraordinary Session

Amendments proposed by Senator Morrell to Reengrossed House Bill No. 95 by Representative Leger

1 AMENDMENT NO. 1

2 On page 1, line 2, after "reenact" delete the remainder of the line and delete line 3 and insert:

3 "R.S. 47:93(A) and (B), 241, 287.69, and 287.442(B)(1), to enact R.S.
4 47:55(6), and to repeal R.S. 47:287.79, 287.83, and 287.85, relative to corporation
5 income tax; to provide relative to the"

6 AMENDMENT NO. 2

7 On page 1, delete line 8 and insert:

8 "Section 1. R.S. 47:93(A) and (B), 241, 287.69, and 287.442(B)(1) are hereby
9 amended and reenacted and R.S. 47:55(6) is hereby enacted to read as"

10

11 AMENDMENT NO. 3

12 On page 1, between lines 9 and 10, insert:

13 "§55. Deductions from gross income; taxes generally
14 In computing net income, there shall be allowed as deductions all taxes paid
15 or accrued within the taxable year except:

16 * * *

17 (6) Federal income taxes paid by corporations and entities taxed as corporations.

18 * * *

19 §93. Period for which deductions and credits shall be taken

20 A. Except as hereinafter provided in this ~~section~~ Section, the deductions and
21 credits provided for in this Chapter shall be taken for the taxable year in which "paid
22 or accrued" or "paid or incurred," dependent upon the method of accounting upon the
23 basis of which the net income is computed, unless in order to clearly reflect the
24 income the deductions or credits should be taken as of a different period.

25 B. The proper year in which to claim deductions for federal income and
26 excess profits taxes allowable under the provisions of R.S. 47:55 shall be determined
27 as follows, regardless of the method of accounting regularly employed by the
28 taxpayer:

29 (1) The amount of tax shown to be due upon the federal income tax return
30 of the individual taxpayer, as filed, shall be allowed as a deduction in the state
31 individual income tax return for the same period as that for which such federal return
32 is filed.

33 (2) Federal income and excess profits taxes paid after the filing of the federal
34 return in addition to the amount disclosed to be due by the return as filed shall be
35 allowed as a deduction ~~in~~ on the state individual income tax return for that period if
36 it is not prescribed. If it is prescribed, the deduction for such additional taxes shall
37 be allowed as a deduction in the state return for the period in which such additional
38 tax is paid. ~~This Subsection shall apply to all such payments after December 31,~~
39 ~~1973.~~

40 * * *

41 AMENDMENT NO. 4

42 On page 1, delete lines 10 through 19 and on page 2, delete lines 1 through 7 and insert:

43 "§241. Net income subject to tax

44 A. The net income of a nonresident individual ~~or a corporation~~ subject to the
45 tax imposed by this Chapter shall be the sum of the net allocable income earned

1 within or derived from sources within this state, as defined in R.S. 47:243, and the
 2 net apportionable income derived from sources in this state, as defined in R.S.
 3 47:244, less the amount of federal income taxes attributable to the net allocable
 4 income and net apportionable income derived from sources in this state. The amount
 5 of federal income taxes to be so deducted shall be that portion of the total federal
 6 income tax which is levied with respect to the particular income derived from
 7 sources in this state to be computed in accordance with rules and regulations of the
 8 collector of revenue. Proper adjustment shall be made for the actual tax rates
 9 applying to different classes of income and for all differences in the computation of
 10 net income for purposes of federal income taxation as compared to the computation
 11 of net income under this Chapter. Where the allocation of the tax is to be based on
 12 a ratio of the amount of net income of a particular class, both the numerator and the
 13 denominator of the fraction used in determining the ratio shall be computed on the
 14 basis that such net income is determined for federal income tax purposes.

15 B. The net income of a corporation subject to the tax imposed by this Chapter
 16 shall be the sum of the net allocable income earned within or derived from sources
 17 within this state, as defined in R.S. 47:243, and the net apportionable income derived
 18 from sources in this state, as defined in R.S. 47:244, less the net apportionable
 19 income derived from sources in this state. Proper adjustment shall be made for the
 20 actual tax rates applying to different classes of income and for all differences in the
 21 computation of net income for purposes of federal income taxation as compared to
 22 the computation of net income under this Chapter. Where the allocation of the tax
 23 is to be based on a ratio of the amount of net income of a particular class, both the
 24 numerator and the denominator of the fraction used in determining the ratio shall be
 25 computed on the basis that such net income is determined for federal income tax
 26 purposes."

27 AMENDMENT NO. 5

28 On page 2, delete lines 14 and 15 and insert:

29 " * * *
 30 §287.442. Exceptions to taxable year of inclusion; taxable year deductions taken
 31 * * *

32 B. Period for which deductions and credits shall be taken.

33 (1) ~~The taxable year in which to claim the federal income tax deduction~~
 34 ~~allowed by R.S. 47:287.85 shall be determined as follows, regardless of the method~~
 35 ~~of accounting regularly employed by the taxpayer:~~

36 (a) ~~The federal income tax deduction may be claimed for the same taxable~~
 37 ~~year in which the federal income tax sought to be deducted is incurred, provided the~~
 38 ~~taxpayer files a federal income tax return for such taxable year or is included with~~
 39 ~~affiliates in a consolidated federal income tax return for such taxable year.~~

40 (b)(i) Taxable year for adjustments to taxpayer's federal income tax return.
 41 Except as otherwise provided in this Subparagraph, adjustments affecting federal
 42 taxable income which are made to the taxpayer's income tax return subsequent to
 43 filing, whether made because of a deficiency proposed by the government, a court
 44 order, an amended return, or other appropriate instrument or act, showing an
 45 overpayment or a deficiency shall be taken into account for purposes of this Part in
 46 the period for which the return was filed, unless the prescriptive period for the
 47 collection of tax or the refund or credit of overpayments, as the case may be, has
 48 expired. If the applicable prescriptive period has expired, the additional tax paid by
 49 the taxpayer in the case of an underpayment or the refund or credit received by the
 50 taxpayer in the case of an overpayment shall be for the taxable year such tax was
 51 paid, such refund was received, or such credit was allowed, as the case may be.

52 (ii)(b) When a federal refund results from transactions or conditions which
 53 arise after the close of the taxable year for which the refund is made, such federal
 54 refund shall be taken into account, for purposes of this Part, for the taxable year in
 55 which arose the transactions or conditions causing the refund.

56 (c) Taking federal adjustments into account. ~~A payment of additional federal~~
 57 ~~tax upon income which has borne Louisiana tax shall be taken into account by~~

1 ~~decreasing taxable income. That portion, if any, of such additional federal tax~~
2 ~~payment which would be disallowed as a deduction under either R.S. 47:287.81 or~~
3 ~~R.S. 47:287.83 shall be excluded from such adjustment.~~ Refunds or credits of federal
4 overpayments, ~~including refunds or credits created by the carryback of a federal net~~
5 ~~operating loss,~~ shall be taken into account by increasing Louisiana net income or
6 decreasing the Louisiana net loss, as the case may be. That portion, if any, of the
7 federal refund or credit of an overpayment which has not previously been charged
8 against or deducted from Louisiana net income shall be excluded from such
9 adjustment.

10 (d) Adjustments made to the Louisiana return. Adjustments to a return filed
11 pursuant to this Part, whether initiated by the secretary or the taxpayer, shall be taken
12 into account in the taxable year for which the return was filed in accordance with
13 rules, regulations, or forms prescribed by the secretary.

14 * * *

15 Section 2. R.S. 47:287.79, 287.83, and 287.85 are hereby repealed in their entirety."

16 AMENDMENT NO. 6

17 On page 2, delete line 18, and insert:

18 "Section 4. This Act shall become operative and take effect on January 1, 2017, if
19 the proposed"