

CONFERENCE COMMITTEE REPORT

HB 23

2016 First Extraordinary Session

Jackson

March 9, 2016

To the Honorable Speaker and Members of the House of Representatives and the Honorable President and Members of the Senate.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning House Bill No. 23 by Representative Jackson, recommend the following concerning the Reengrossed bill:

1. That Senate Committee Amendments Nos. 1 through 4 proposed by the Senate Committee on Revenue and Fiscal Affairs (#490) be rejected.
2. That the following amendments to the Reengrossed bill be adopted:

AMENDMENT NO. 1

On page 1, delete lines 18 through 20 in their entirety and insert in lieu thereof the following:

"Section 7.(A) The provisions of Sections 6 and 7 of this Act shall become effective on July 1, 2015.

(B) In the event the Act that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the Legislature is enacted and becomes effective, the provisions of Sections 1, 2, and 3 of this Act shall remain in effect through the termination date in the Act that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the Legislature."

Respectfully submitted,

Representative Katrina Jackson

Senator Jean-Paul J. Morrell

Representative Taylor F. Barras

Senator Eric LaFleur

Representative Neil C. Abramson

Senator Daniel "Danny" Martiny

 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)]

CONFERENCE COMMITTEE REPORT DIGEST
HB 23**2016 First Extraordinary Session****Jackson**
Keyword and oneliner of the instrument as it left the House

TAX/CORP INCOME: Repeals three-year sunset of certain reductions to corporate income tax deductions, exemptions, and exclusions (Item #12)

Report adopts Senate amendments to:

1. Make technical changes.

Report amends the bill to:

1. Provide that in the event the Act that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the Legislature is enacted and becomes effective, the provisions of Sections 1, 2, and 3 of Act No. 123 of the 2015 Regular Session shall remain in effect through the termination date in the Act that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the Legislature.

Digest of the bill as proposed by the Conference Committee

Present law sunsets on June 30, 2018, the 28% reductions made in Act No. 123 of the 2015 R.S. to the following corporate income tax deductions and exclusions:

- (1) R.S. 47:51 Exclusions from gross income; governmental subsidies
- (2) R.S. 47:158 Basis for depletion (oil and gas wells)
- (3) R.S. 47:246 Corporations; deduction from net income from La. sources
- (4) R.S. 47:287.71 Modifications to federal gross income
- (5) R.S. 47:287.73 Modifications to deductions from gross income allowed by federal law
- (6) R.S. 47:287.86 Net operating loss deduction
- (7) R.S. 47:287.738 Other inclusions and exclusions from gross income
- (8) R.S. 47:287.745 Deductions from gross income; depletion
- (9) R.S. 51:3092 Corporation income and franchise tax exemption

Proposed law provides that in the event the Act that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the Legislature is enacted and becomes effective, the provisions of Sections 1, 2, and 3 of Act No. 123 of the 2015 Regular Session shall remain in effect through the termination date in the Act that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the Legislature.

Effective if and when the Act that originated HB No. 62 of the 2016 1E.S. becomes effective.

(Amends §6 and §7 of Act No. 123 of the 2015 R.S.)