

2015 Regular Session

HOUSE BILL NO. 254

BY REPRESENTATIVE JAY MORRIS

TAX/CORP INCOME: Reduces rates for purposes of calculating corporation income tax liability

1 AN ACT

2 To amend and reenact R.S. 47:287.12, relative to corporation income tax; to provide relative
3 to the rate of the corporation income tax; to reduce the rates of such tax; to provide
4 for effectiveness; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:287.12 is hereby amended and reenacted to read as follows:

7 §287.12. Rates of tax

8 The tax to be assessed, levied, collected, and paid upon the Louisiana taxable
9 income of every corporation shall be computed at the rate of:

10 (1) ~~Four~~ Two percent upon the first twenty-five thousand dollars of
11 Louisiana taxable income.

12 (2) ~~Five~~ Three percent upon the amount of Louisiana taxable income above
13 twenty-five thousand dollars but not in excess of fifty thousand dollars.

14 (3) ~~Six~~ Four percent on the amount of Louisiana taxable income above fifty
15 thousand dollars but not in excess of one hundred thousand dollars.

16 (4) ~~Seven~~ Five percent on the amount of Louisiana taxable income above
17 one hundred thousand dollars but not in excess of two hundred thousand dollars.

18 (5) ~~Eight~~ Six percent on all Louisiana taxable income in excess of two
19 hundred thousand dollars.

1 Section 2. Provisions of this Act shall become effective on January 1, 2016, and
2 shall be applicable to all tax years beginning on and after January 1, 2016.

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 254 Original

2015 Regular Session

Jay Morris

Abstract: Reduces rates for purposes of calculating corporation income tax liability.

Present law provides that the tax to be assessed, levied, collected, and paid on the La. taxable income of every corporation shall be computed at the following rates:

- (1) 4% on the first \$25,000 of La. taxable income.
- (2) 5% on La. taxable income above \$25,000 but not in excess of \$50,000.
- (3) 6% on La. taxable income above \$50,000 but not in excess of \$100,000.
- (4) 7% on La. taxable income above \$100,000 but not in excess of \$200,000.
- (5) 8% on all La. taxable income in excess of \$200,000.

Proposed law reduces the present law rates for the tax on the taxable income of corporations to the following:

- (1) From 4% to 2% on the first \$25,000 of La. taxable income.
- (2) From 5% to 3% on La. taxable income above \$25,000 but not in excess of \$50,000.
- (3) From 6% to 4% on La. taxable income above \$50,000 but not in excess of \$100,000.
- (4) From 7% to 5% on La. taxable income above \$100,000 but not in excess of \$200,000.
- (5) From 8% to 6% on all La. taxable income in excess of \$200,000.

Effective Jan. 1, 2016, and applicable to all tax years beginning on and after that date.

(Amends R.S. 47:287.12)