

2018 First Extraordinary Session

HOUSE BILL NO. 14

BY REPRESENTATIVE LEGER

TAX CREDITS: Provides relative to the individual income tax credit for taxes paid to other states (Item #5)

1 AN ACT

2 To amend and reenact Section 4 of Act No. 109 of the 2015 Regular Session of the  
3 Legislature and to repeal Section 2 of Act No. 109 of the 2015 Regular Session of  
4 the Legislature, relative to the individual income tax credit for taxes paid to other  
5 states; to repeal provisions for an increase in the credit; to provide for effectiveness;  
6 and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Section 4 of Act No. 109 of the 2015 Regular Session of the Legislature  
9 is hereby amended and reenacted to read as follows:

10 \* \* \*

11 Section 4. The provisions of Sections 1 ~~and 3, 3, and 4~~ of this Act shall become  
12 effective on July 1, 2015, ~~and shall remain effective through June 30, 2018, at which time~~  
13 ~~the provisions of Sections 1 and 3 of this Act shall become null, void, and of no effect. The~~  
14 ~~provisions of Section 4 of this Act shall become effective on July 1, 2015. The provisions~~  
15 ~~of Section 2 of this Act shall become effective on July 1, 2018.~~

16 Section 2. Section 2 of Act No. 109 of the 2015 Regular Session of the Legislature  
17 is hereby repealed in its entirety.

18 Section 3. The provisions of this Act shall become effective on July 1, 2018, but  
19 only if all of the following conditions are met:

1 (A) The Acts which originated as House Bill Nos. 2, 3, 12, 23, and 29 of this 2018  
2 First Extraordinary Session of the Legislature are enacted and if any of the Acts are vetoed  
3 by the governor, the Act is subsequently approved by the legislature.

4 (B) House Concurrent Resolution No. 2 of this 2018 First Extraordinary Session of  
5 the Legislature is adopted by the legislature.

6 (C) The proposed amendment of Article VII of the Constitution of Louisiana  
7 contained in the Act which originated as House Bill No. 15 of this 2018 First Extraordinary  
8 Session of the Legislature is adopted by the legislature.

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#### 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)]

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HB 14 Engrossed

2018 First Extraordinary Session

Leger

**Abstract:** Removes the three-year sunset provision of Act No. 109 of the 2015 R.S. relative to the individual income tax credit for net taxes paid to other states.

Present law authorizes an individual income tax credit in an amount equal to income taxes paid for the same taxable period to another state on income that is subject to La. tax if the other state authorizes a similar credit.

Present law authorizes a credit for three years in an amount of the lesser of the actual amount of tax paid to the other state or the amount of La. income tax that would have been imposed if the income had been earned in La.

Present law provides for termination (sunset) in three years of those provisions of present law that require the state to which income taxes were paid to authorize a similar credit and that the credit amount be the lesser of the actual amount of tax paid to the other state or the amount of La. income tax that would have been imposed if the income had been earned in La.

Proposed law repeals the termination provisions thereby providing for permanent effectiveness of present law.

Effective July 1, 2018, but only if the Acts which originated as House Bill Nos. 2, 3, 12, 23, and 29 of this 2018 First E. S. are enacted, if HCR No. 2 of this 2018 First E.S. is adopted, and the proposed amendment of Article VII of the Constitution of Louisiana contained in the Act which originated as HB No. 15 of this 2018 First E.S. is adopted by the legislature.

(Amends §4 of Act No. 109 of 2015 R.S.; Repeals §2 of Act No. 109 of 2015 R.S.)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Change the effective date of proposed law from governor's signature to effectiveness based on enactment of HB Nos. 2, 3, 12, 23, and 29, adoption of HCR No. 2, and the proposed amendment of Article VII of the Constitution contained in the Act which originated as HB No. 15 is adopted, all from the 2018 First E.S.