Regular Session, 2013

HOUSE BILL NO. 656

BY REPRESENTATIVE ROBIDEAUX

TAX/INCOME TAX: Repeals deductions, exemptions, and credits for individual income tax

AN ACT

To amend and reenact R.S.47:22, 120.31(A)(1)(introductory paragraph), 181(B) and (C), and 1520(A)(1), and to repeal R.S. 47:33 through 37, Subpart C of Part I of Chapter I of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:41 through 89, Subparts F though H of Part I of Chapter I of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:111 through 120.26, Subparts J through JJ of Part I of Chapter I of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:120.32 through 120.171, R.S. 47:182 through 188, Subpart D of Part II of Chapter I of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:201 through 220.3, R.S. 47:246, 247, Parts III, IV, V and VI of Chapter 1 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:290 through 300.11, 47:287.732(B), and 1520.1, relative to individual income taxes; to provide with respect to certain individual income tax exemptions, deductions, and credits; to repeal certain individual income tax exemptions, deductions, and credits; to repeal certain income tax checkoffs and offsets; to repeal provisions for certain electronic returns; to provide for effectiveness; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S.47:22, 120.31(A)(1)(introductory paragraph), 181(B) and (C), 1520(A)(1) are hereby amended and reenacted to read as follows:

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§22. Special classes of taxpayers

The application of the general provisions of Part I, and Sub-parts A and B of Part II of this Sub-title to each of the following special classes of taxpayers, shall be subject to the exceptions and additional provisions found in Part II of this Sub-title applicable to such class, as follows:

(1) ~~Estates and trusts and the beneficiaries thereof, Sub-part C of Part II.~~

~~(2) Members of partnerships, Sub-part D of Part II.~~

~~(3)~~ (2) Insurance companies, Sub-part E of Part II.

~~(4)~~ (3) Foreign corporations, Sub-part G of Part II.

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§120.31. ~~Individual and corporate~~ Corporate tax checkoffs for donations to the Louisiana Military Family Assistance Fund

A.(1) For tax years beginning on and after January 1, 2005, every individual and corporation that files ~~an individual income tax return or~~ a corporate income or franchise tax return is authorized to do any of the following:

* * *

§181. Imposition of tax on estates and trusts

* * *

B. Computation and payment.

(1) The tax shall be computed upon the net income of the estate or trust, and shall be paid by the fiduciary, except as provided in R.S. 47:186, relating to revocable trusts, and R.S. 47:187 relating to income for benefit of the grantor. For return made by the beneficiary see R.S. 47:162.

~~(2) The amount of a net operating loss for any tax year beginning on or after January 1, 1992, may be deducted from net income in any of the fifteen years immediately following the year in which the loss occurred.~~

~~C. Exceptions. If a trust is a simple trust as defined under Internal Revenue Code Section 651 or a grantor trust as defined under R.S. 47:187, it shall not have to file a Louisiana income tax return if the following conditions are met:~~

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~~(1) Such trust does not have any net taxable income for the taxable period.~~

~~(2) Such trust does not have any nonresident beneficiaries.~~

* * *

§1520. Electronically filed returns; signatures

A.(1) The secretary may require electronic filing of tax returns or reports under any of the following circumstances:

* * *

(c) ~~Individual income tax returns prepared by a tax preparer that prepares more than one hundred state individual income tax returns during any calendar year may be required to be filed electronically as follows:~~

~~(i) Thirty percent of the returns due on or after January 1, 2008.~~

~~(ii) Sixty percent of the returns due on or after January 1, 2010.~~

~~(iii) Ninety percent of the returns due on or after January 1, 2012.~~

~~(d)~~ The report is required for dedicated fund distribution.

~~(e)~~ (d) Any return or report that a professional athletic team or professional athlete is required to file with the Department of Revenue for the administration of the Sports Facility Assistance Fund.

~~(f)~~ (e) The taxpayer is required to file the same or a substantially similar return or report with the Internal Revenue Service for the same tax period.

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Section 2. R.S. 47:33 through 37, Subpart C of Part I of Chapter I of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:41 through 89, Subparts F though H of Part I of Chapter I of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:111 through 120.26, Subparts J through JJ of Part I of Chapter I of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:120.32 through 120.171, R.S. 47:182 through 188, Subpart D of Part II of Chapter I of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:201 through 220.3, R.S. 47:246, 247, Parts III, IV, V and VI of Chapter 1 of the

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Louisiana Revised Statutes of 1950, comprised of R.S. 47:290 through 300.11, 47:287.732(B), and 1520.1 are hereby repealed in their entirety.

Section 3. This Act shall take effect and become operative on January 1, 2014 if the Acts which originated as House Bill Nos. ____ of the 2013 Regular Session of the Legislature providing for the repeal of state individual income tax and House Bill No. ____ of the 2013 Regular Session of the Legislature providing for the repeal of state corporate income and corporation franchise taxes, both are enacted.

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)]

Robideaux HB No. 656

Abstract: Repeals certain deductions, exemptions, and credits and other special tax treatment relative to individual income tax.

Present law imposes a tax on the net income of individuals. Further provides for various tax exemption, deductions, and credits from such tax.

Proposed law repeals present law.

Present law provides for the administration of tax collection including requirements for tax returns and electronic submission of tax returns.

Proposed law repeals the provisions as they apply to returns submitted by individuals for purposes of individual income tax.

Effective Jan. 1m, 2014 and shall become operative if and when House Bill Nos. ____ of this 2013 Regular Session are enacted and become effective.

(Amends R.S.47:22, 120.31(A)(1)(intro. para.), 181(B) and (C), and 1520(A)(1); Repeals R.S. 47:33 through 37, 41 through 89, 111 through 120.26, 120.32 through 120.171, 182 through 188, 201 through 220.3, 246, 247, 290 through 300.11, 287.732(B), and 1520.1)

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