

2016 Second Extraordinary Session

HOUSE BILL NO. 13

BY REPRESENTATIVE GREGORY MILLER

TAX/INCOME-CREDIT: Reduces the amount of the income tax credit for the Louisiana Citizens Property Insurance Corporation Assessment and makes the reduction permanent (Item #46)

1 AN ACT

2 To amend and reenact R.S. 47:6025(A)(1), relative to income tax credits; to provide for the

3 Louisiana Citizens Property Insurance Corporation assessment tax credit; to reduce

4 the amount of the credit; to repeal the sunset of the reduction in the amount of the

5 credit; to provide for effectiveness; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7           Section 1. R.S. 47:6025(A)(1) is hereby amended and reenacted to read as follows:

8 §6025. Tax credit for Louisiana Citizens Property Insurance Corporation assessment

9                   A.(1) There shall be allowed a credit against Louisiana income tax due in a  
10                   taxable year for ~~seventy-two~~ fifty percent of the amount of surcharges, market  
11                   equalization charges, or assessments paid by a taxpayer during the taxable year as  
12                   a result of the 2005 regular assessment or the emergency assessments levied due to  
13                   Hurricanes Katrina and Rita by Louisiana Citizens Property Insurance Corporation  
14                   for the FAIR Plan and Coastal Plan, as they are defined in R.S. 22:2292.

15 \* \* \*

Section 2. The provisions of this Act shall apply to all credits provided for in R.S.  
47:6025 claimed on any return filed for any taxable year beginning on or after January 1,  
2016.

1           Section 3. Notwithstanding Section 8 of Act No. 125 of the 2015 Regular Session  
2 of the Legislature, R.S. 47:6025(A)(1) as amended by Section 5 of that Act shall not become  
3 effective.

4           Section 4. This Act shall become effective upon signature by the governor or, if not  
5 signed by the governor, upon expiration of the time for bills to become law without signature  
6 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
7 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
8 effective on the day following such approval.

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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 13 Original

2016 Second Extraordinary Session

Gregory Miller

**Abstract:** Reduces the amount of the La. Citizens Property Insurance Corporation Assessment income tax credit and makes the reduction permanent.

Present law provides an income tax credit against La. income tax for the surcharges, market equalization charges, or assessments paid by a taxpayer for the La. Citizens Property Insurance Corporation assessments due to Hurricanes Katrina and Rita. The amount of the tax credit is equal to 72% of the amount of the surcharges, market equalization charges, or assessments paid.

Present law relative to the amount of the credit sunsets on June 30, 2018. Further reinstates the full credit amount of 100% of the amount of the surcharges, market equalization charges, or assessments paid beginning July 1, 2018.

Proposed law reduces the amount of the credit from 72% to 50% of the amount of the surcharges, market equalization charges, or assessments paid. Further repeals the sunset of the reduction, thereby making the reduction permanent.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 47:6025(A)(1))