

2017 Regular Session

HOUSE BILL NO. 564

BY REPRESENTATIVE JAY MORRIS

TAX/CORP INCOME: Reduces corporate income tax rates

1 AN ACT

2 To amend and reenact R.S. 47:287.12, relative to corporate income tax; to modify the rates
3 of the corporate income tax; to provide for applicability; to provide for effectiveness;
4 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~~ Three percent upon the first twenty-five thousand dollars of
11 Louisiana taxable income.

12 (2) ~~Five~~ Four 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 and one-half percent on the amount of Louisiana taxable income
15 above fifty thousand dollars but not in excess of one hundred thousand dollars.

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

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

1 Section 2. The provisions of this Act shall be applicable to all taxable years
2 beginning on or after January 1, 2018.

3 Section 3. This Act shall become effective on January 1, 2018.

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 564 Original

2017 Regular Session

Jay Morris

Abstract: Reduces the rates for purposes of calculating corporate 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 changes the rate of tax on La. taxable income of corporations as follows:

- (1) From 4% to 3% on the first \$25,000 of La. taxable income.
- (2) From 5% to 4% on La. taxable income above \$25,000 but not in excess of \$50,000.
- (3) From 6% to 4.5% on La. taxable income above \$50,000 but not in excess of \$100,000.
- (4) From 7% to 5.5% 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, 2018, and applicable to all tax years beginning on and after Jan. 1, 2018.

(Amends R.S. 47:287.12)