

GREEN SHEET REDIGEST

HB 89

2020 Second Extraordinary Session

James

TAX/INCOME TAX: Modifies the definition of "federal income tax liability" to include certain federal net disaster losses (Item #26)

DIGEST

Present law defines "federal income tax liability", for purposes of the individual income tax, as the total amount of tax due to the U.S. for the taxable period on the individual income tax return required to be filed by any taxpayer, excluding social security and self-employment taxes.

Present law requires federal income tax liability to be increased by federal income tax credits determined by the secretary to be disaster relief credits.

Proposed law retains present law but requires that for taxable periods beginning after Dec. 31, 2018, and before Jan. 1, 2021, that federal income tax liability be increased by the amount by which an individual's federal income tax due to the U.S. for the taxable period was decreased as a result of claiming the federal itemized deduction for certain net disaster losses attributable to Hurricane Laura or Hurricane Delta.

Provisions of proposed law shall be applicable for taxable periods beginning after Dec. 31, 2018, and before Jan. 1, 2021.

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

(Adds R.S. 47:293(4)(e))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the engrossed bill

1. Specifies that applicable net disaster losses are attributable to Hurricane Laura or Hurricane Delta.