

## RÉSUMÉ DIGEST

ACT 470 (HB 301)

2021 Regular Session

Landry

New law provides for the establishment of an income tax credit for reasonable funeral and burial expenses associated with the pregnancy-related death of a person. The estate of the deceased person may claim the credit, but if the estate does not claim the credit, the individual who actually paid the funeral and burial expenses may claim the credit.

New law limits the amount of the credit to the actual reasonable funeral and burial expenses paid or \$5,000, whichever is less. Further requires that the party claiming the credit be a La. taxpayer and that the credit be claimed in the year the death occurred.

New law defines "reasonable funeral and burial expenses" as costs and fees associated with transportation of the remains, embalming or cremation services, caskets, plots, grave markers, or headstones, funeral home facility and staff services, and other related professional services. Provides that the term does not mean costs and fees associated with flowers, vaults, or urns.

New law defines a "pregnancy-related death" as the death of a La. resident while pregnant, during labor and delivery, or within one year after childbirth from a pregnancy complication, a chain of events initiated by the pregnancy, or the aggravation of an unrelated condition by the normal effects of the pregnancy.

New law provides that if the amount of the credit exceeds the taxpayer's tax liability for the taxable year, the excess credit amount shall constitute an overpayment and the secretary shall refund the overpayment from the tax collections imposed in existing law.

New law requires the taxpayer claiming the credit to maintain all records necessary to verify the amount of reasonable funeral and burial expenses paid and, if requested, to provide the records to the Dept. of Revenue when filing the taxpayer's tax return.

New law is applicable to taxable years beginning on or after Jan. 1, 2022.

Effective January 1, 2022.

(Adds R.S. 47:297.16)