

SENATE BILL NO. 118

BY SENATORS FOIL, ABRAHAM, BARROW, BASS, BOUDREAUX, BOUIE, CARTER, CATHEY, CLOUD, CONNICK, DUPLESSIS, EDMONDS, FESI, HARRIS, HENRY, HENSGENS, HODGES, JACKSON-ANDREWS, LAMBERT, LUNEAU, MIGUEZ, MILLER, MIZELL, MYERS, OWEN, PRESSLY, PRICE, REESE, SEABAUGH, STINE, WHEAT AND WOMACK AND REPRESENTATIVES CHASSION, KNOX, LAFLEUR AND MARCELLE

AN ACT

To amend and reenact R.S. 17:3088 and to enact R.S. 47:293(9)(a)(xxvii), relative to the Achieving a Better Life Experience Account Program (ABLE); to provide relative to tax table income; to exclude certain deposits into ABLE accounts for financing of certain qualified expenses of persons with disabilities; to require certain information to be reported to the Department of Revenue; to provide for applicability; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 17:3088 is hereby amended and reenacted to read as follows:

§3088. Amounts deposited in ABLE accounts; Louisiana income tax; tax table income; **reports to the Department of Revenue**

~~For tax years beginning on and after January 1, 2016, amounts deposited in an ABLE account on behalf of any designated beneficiary may be excluded from tax table income for purposes of Louisiana income tax if authorized by the provisions of R.S. 47:293(9)(a).~~ **A. For tax years beginning on and after January 1, 2026, amounts that an account owner deposits into an ABLE account on behalf of any designated beneficiary shall be exempt from inclusion in the account owner's taxable income for the purposes of state individual income tax up to a maximum of two thousand four hundred dollars per beneficiary per taxable year for account owners filing single returns and up to a maximum of four thousand eight hundred dollars per beneficiary per taxable year for account owners filing joint returns, as provided in R.S. 47:293(9)(a)(xxvii). If an account owner**

deposits less than the maximum two thousand four hundred dollars per year in an owned account and files a single return or if married account owners deposit less than the maximum of four thousand eight hundred dollars per year in an account or accounts for a beneficiary and file a joint return, the difference between the total deposits and two thousand four hundred dollars or four thousand eight hundred dollars, respectively, shall roll over to subsequent years and shall be exempt from inclusion in the account owner's taxable income for the purposes of state income tax in addition to the two thousand four hundred dollars or four thousand eight hundred dollars in the year actually deposited, as provided in R.S. 47:293(9)(a)(xxvii).

B. On or before the thirty-first day of January of each year, the authority shall submit a report to the secretary of the Department of Revenue listing all donations made to ABLE accounts during the prior calendar year. The report shall be in electronic format and shall contain the name of the account owner, the account owner's social security number, and the amount of all deposits made by the account owner into the savings account during the prior calendar year.

Section 2. R.S. 47:293(9)(a)(xxvii) is hereby enacted to read as follows:

§293. Definitions

The following definitions shall apply throughout this Part, unless the context requires otherwise:

* * *

(9)(a) "Tax table income", for resident individuals, means adjusted gross income plus interest on obligations of a state or political subdivision thereof, other than Louisiana and its municipalities, title to which obligations vested with the resident individual on or subsequent to January 1, 1980, and less:

* * *

(xxvii) For tax years beginning on and after January 1, 2026, the amount deposited in a special savings account for financing of certain qualified expenses of persons with disabilities as provided in R.S. 17:3088 and any interest

4 * * *

6 beginning on or after January 1, 2026.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED: _____