

**ACT No. 307**

2026 Regular Session

HOUSE BILL NO. 633

BY REPRESENTATIVE BACALA

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18

AN ACT

To amend and reenact R.S. 47:118(B), (C)(1), (D)(introductory paragraph), (1)(introductory paragraph) and (b), and (2), 287.655(C)(1), (D)(2) and (3), and (G)(introductory paragraph) and (1), and 287.656(A)(1) and (2)(introductory paragraph) and to repeal R.S. 47:118(D)(1)(c), relative to estimated income tax; to calculate the period of underpayment; to assess penalties for an excessive adjustment; to modify requirements to apply for an adjustment for overpayment; to repeal certain calculations for exemptions from a penalty for an underpayment; to provide for applicability; to provide an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:118(B), (C)(1), (D)(introductory paragraph), (1)(introductory paragraph) and (b), and (2), 287.655(C)(1), (D)(2) and (3), and (G)(introductory paragraph) and (1), and 287.656(A)(1) and (2)(introductory paragraph) are hereby amended and reenacted to read as follows:

§118. Failure by individual to pay estimated income tax; penalty

\* \* \*

B. Amount of underpayment. (1) For purposes of Subsection A, the amount of the underpayment shall be the excess of:

1 (a) The amount of the installment which would be required to be paid if the  
 2 estimated tax were equal to ~~ninety seventy percent (sixty-six and two-thirds percent~~  
 3 ~~in the case of individuals referred to in R.S. 47:117(B), relating to income from~~  
 4 ~~farming)~~ of the tax shown on the return for the taxable year or, if no return was filed,  
 5 ~~ninety seventy percent (sixty-six and two-thirds percent in the case of individuals~~  
 6 ~~referred to in R.S. 47:117(B), relating to income from farming)~~ of the tax for such  
 7 year, over

8 (b) The amount, if any, of the installment paid on or before the last date  
 9 prescribed for such payment.

10 (2) For the purposes of determining the amount of underpayment, the  
 11 amount of the required installment shall be:

12 (a) Except as provided in Subparagraph (b), the amount of any required  
 13 installment shall be twenty-five percent of the required annual payment.

14 (b) For purposes of Subparagraph (a), the term "required annual payment"  
 15 means the lesser of:

16 (i) ~~Ninety Seventy~~ percent of the tax shown on the return for the taxable year  
 17 (or, if no return is filed, ~~ninety seventy~~ percent of the tax for such year), or

18 (ii) One hundred percent of the tax shown on the return of the individual for  
 19 the preceding taxable year.

20 (3) For purposes of this Subsection and Paragraph (D)(1) of this Section, in  
 21 the case of individuals referred to in R.S. 47:117(B) and 117.1(B), relating to income  
 22 from farming and fishing, the percentage to be applied in lieu of seventy percent  
 23 shall be sixty-six and two-thirds percent.

24 C. Period of underpayment. The period of the underpayment shall run from  
 25 the date the installment was required to be paid to whichever of the following dates  
 26 is earlier:

27 (1) The ~~15th~~ fifteenth day of the ~~fourth~~ fifth month following the close of the  
 28 taxable year;

29 \* \* \*





1                   ~~(i) multiplying by twelve the taxable income referred to in Subparagraph (a),~~  
 2                   and  
 3                   ~~(ii) dividing the resulting amount by the number of months in the taxable~~  
 4                   ~~year (3, 5, 6, 8, 9, or 11, as the case may be) referred to in Subparagraph (a).~~

\* \* \*

G. Excessive adjustment under pursuant to R.S. 47:287.656.

7                   (1) Addition to tax. If the amount of an adjustment under pursuant to R.S.  
 8                   47:287.656 made before the fifteenth day of the ~~fourth~~ fifth month following the  
 9                   close of the taxable year is excessive there shall be added to the tax under pursuant  
 10                   to this Part for the taxable year a penalty of twelve percent per annum upon the  
 11                   excessive amount from the date on which the credit is allowed or the refund is paid  
 12                   to ~~such~~ the fifteenth day of the fifth month.

\* \* \*

§287.656. Adjustment of overpayment of estimated income tax by corporation

A. Application of adjustment.

16                   (1) Time for filing. A corporation may, after the close of the taxable year  
 17                   and on or before the fifteenth day of the ~~fourth~~ fifth month thereafter, and before the  
 18                   day on which it files a return for ~~such~~ the taxable year, file an application for an  
 19                   adjustment of an overpayment by it of estimated income tax for ~~such~~ the taxable  
 20                   year. An application under pursuant to this Subsection shall not constitute a claim  
 21                   for credit or refund.

22                   (2) Form of application. An application under this Subsection shall be  
 23                   verified in the manner prescribed in the case of a return of the taxpayer and shall be  
 24                   filed in the manner and form prescribed by the secretary ~~of revenue and taxation.~~

The application shall set forth:

\* \* \*

Section 2. R.S. 47:118(D)(1)(c) is hereby repealed in its entirety.

28                   Section 3. The provisions of this Act shall be applicable to income tax periods  
 29                   beginning on or after January 1, 2026.

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

---

SPEAKER OF THE HOUSE OF REPRESENTATIVES

---

PRESIDENT OF THE SENATE

---

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_