

Regular Session, 2005

SENATE BILL NO. 26

BY SENATORS MCPHERSON AND HINES

TAX/INCOME/PERSONAL. Authorizes a credit against individual income taxes of up to \$10,000 per organ donation for expenses paid by a taxpayer if related to the taxpayer's travel or absence from work related to the taxpayer's or the taxpayer's spouse's living organ donation. (7/1/05)

AN ACT

To enact R.S. 47:297(N), relative to individual income tax; to provide a credit for certain amounts related to living organ donation; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:297(N) is hereby enacted to read as follows:

§297. Reduction to tax due

* * *

N.(1) There shall be allowed a credit against individual income tax due in a taxable year equal to the following amounts incurred by a taxpayer during his tax year if related to the taxpayer's travel or absence from work because of a living organ donation by the taxpayer or the taxpayer's spouse:

(a) The unreimbursed cost of travel paid by the taxpayer to and from the place where the donation operation occurred.

(b) Unreimbursed lodging expenses paid by the taxpayer.

(c) Wages or other compensation lost because of the taxpayer's absence during the donation procedure and convalescence.

(2) The credit provided for by this Section shall not exceed ten thousand

dollars per organ donation. It shall be allowed against the income tax for the taxable period in which the credit is earned. If the tax credit exceeds the amount of such taxes due, then any unused credit may be carried forward as a credit against subsequent tax liability for a period not to exceed ten years.

Section 2. This Act shall become effective July 1, 2005 and shall be applicable to organ donations occurring during tax years beginning on and after January 1, 2005.

The original instrument was prepared by Riley Boudreaux. The following digest, which does not constitute a part of the legislative instrument, was prepared by Thomas L. Tyler.

McPherson (SB 26)

DIGEST

Proposed law authorizes a credit against individual income taxes of up to \$10,000 per organ donation of the following unreimbursed expenses paid by a taxpayer if related to the taxpayer's travel or absence from work related to the taxpayer's or taxpayer's spouse's living organ donation:

- (1) The cost of travel to and from the place where the donation operation occurred.
- (2) Lodging expenses paid by the taxpayer.
- (3) Wages or other compensation lost because of the taxpayer's absence during the donation procedure and convalescence.

Provides that if the tax credit exceeds the amount of taxes due, then authorizes any unused credit to be carried forward as a credit against subsequent tax liabilities for a period not exceeding ten years.

Effective July 1, 2005, and applicable to organ donations occurring during tax years beginning on and after January 1, 2005.

(Adds R.S. 47:297(N))

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill.

1. Adds provision limiting the credit to \$10,000 per organ donation.
2. Allows unused credits to be carried forward to subsequent tax liabilities during a period not to exceed ten years.