

First Extraordinary Session, 2005

HOUSE BILL NO. 133

BY REPRESENTATIVE ROBIDEAUX

TAX/INCOME TAX: Increases deduction from state income taxes for federal income taxes paid by the amount of certain casualty loss deductions (Item #11)

1 AN ACT

2 To amend and reenact R.S. 47:293(3), relative to income tax of estates and trusts,
3 corporations, and individuals; to provide that the deduction from state income taxes
4 for federal income tax shall not be reduced by the amount of certain casualty loss
5 deductions; to provide for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:293(3) is hereby amended and reenacted to read as follows:

8 §293. Definitions

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

11 * * *

12 (3) "Federal income tax liability", for the purpose of this Part, means the
13 total amount of tax due to the United States for the taxable period on the individual
14 income tax return required to be filed by any taxpayer, except that:

15 (a) ~~social~~ Social security taxes and self-employment taxes shall not be
16 included.

17 (b) The federal income tax liability shall be increased by the amount by
18 which an individual's federal income tax due to the United States for the taxable
19 period was decreased as a result of claiming a deduction for casualty losses.

20 * * *

21 Section 2. This Act shall be effective for all taxable periods beginning after
22 December 31, 2004.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

Robideaux

HB No. 133

Abstract: Provides that the federal income tax deduction allowed for individuals, estates and trusts, and corporations from state income taxes will not be reduced by the amount of certain casualty loss deductions.

Present law provides that the deduction from state income taxes for federal income tax is the amount due to the federal government after all federal credits.

Proposed law provides that the federal income tax deduction from state income taxes allowed for individuals, estates and trusts, and corporations will not be reduced as a result of a taxpayer claiming a deduction for a casualty loss.

Effective for taxable periods beginning after December 31, 2004.

(Amends R.S. 47:293(3))