

2015 Regular Session

HOUSE BILL NO. 755

BY REPRESENTATIVE LEGER

TAX CREDITS: Reduces the amount of the individual income tax credit for taxes paid to other states

1 AN ACT

2 To amend and reenact R.S. 47:33(A)(1) and (2) and to enact R.S. 47:33(A)(4), relative to
3 income taxes; to provide for individual income tax credit; to limit the amount of the
4 credit; to make the credit nonrefundable; to provide a carryforward period for
5 unapplied credits; to provide for effectiveness; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:33(A)(1) and (2) are hereby amended and reenacted and R.S.
8 47:33(A)(4) is hereby enacted to read as follows:

9 §33. Credit for taxes paid in other states

10 A. Subject to the following conditions, resident individuals shall be allowed
11 a credit against the taxes imposed by this Chapter for net income taxes imposed by
12 and paid to another state on income taxable under this Chapter, provided that:

13 (1) The credit shall be allowed only for taxes paid to the other state on
14 income which is taxable under its law irrespective of the residence or domicile of the
15 recipient. The amount of the credit shall never exceed the amount of tax that would
16 have been due and payable to the State of Louisiana under Chapter 1 of Subtitle II
17 of Title 47 of the Louisiana Revised Statutes of 1950, had the income taxed in the
18 other state been earned and taxable in this state.

Present law provides for the refundability of the credit for taxes paid in other states.

Proposed law eliminates the refundability of the credit and establishes a five year carryforward period.

Effective for all taxable periods beginning on or after January 1, 2016.

(Amends R.S. 47:33(A)(1) and (2); Adds R.S. 47:33(A)(4))