
DIGEST

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HB 650 Original

2017 Regular Session

Broadwater

Abstract: Reduces the amount of the excess federal itemized personal deductions a taxpayer can claim on their state tax return.

Present law authorizes a deduction from individual income taxes for excess federal itemized personal deductions. Excess federal itemized personal deductions is defined to mean 100% of the amount by which the federal itemized personal deductions exceed the amount of federal standard deduction designated for the filing status used for the taxable period on the individual income tax return.

Proposed law changes present law to reduce the amount of the excess federal itemized personal deductions for tax years beginning Jan. 1, 2017, from 100% to the greater of either:

- (1) 57.5% of the amount of the excess federal itemized personal deductions; or
- (2) 100% of the amount of qualified residence interest on a La. residence and 100% of the amount of charitable contributions used by the taxpayer in the calculation of federal taxable income which exceed the amount of the federal standard deduction designated for the filing status of the taxpayer used for the taxable period on the individual income tax return of the taxpayer.

Proposed law defines the terms "qualified residence interest" and "charitable contribution" to have the meanings ascribed to them in federal law.

Applicable to all tax years beginning on and after Jan. 1, 2017.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 47:293(3)(c); Adds R.S. 47:293(3)(d))