

---

## DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

---

HB 331 Original

2025 Regular Session

Jordan

**Abstract:** Establishes an income tax credit for certain amounts of motor vehicle insurance premiums paid by a taxpayer.

Proposed law authorizes an individual income tax credit for certain amounts of qualifying motor vehicle insurance premiums paid. Proposed law defines "qualifying motor vehicle insurance premiums paid" as premiums a taxpayer pays for motor vehicle insurance on a motor vehicle that he owns.

Proposed law provides that the amount of the credit shall equal the lesser of the following:

- (1) The amount of qualifying motor vehicle insurance premiums paid in excess of \$2,500 per vehicle, for no more than two vehicles, in a taxable year.
- (2) \$5,000 per vehicle for no more than two vehicles.

Proposed law provides that if the credit exceeds the amount of taxes due from a taxpayer for a taxable period, then any unused credit amount may be carried forward by the taxpayer as a credit against subsequent tax liability for a period not to exceed five years. Stipulates, however, that the amount of the credit applied in a taxable period shall not exceed the amount of taxes due from the taxpayer for that period.

Proposed law requires taxpayers claiming the credit to maintain all records necessary to verify their eligibility for the credit and for the amount of credit claimed and, if requested, shall provide the records to Dept. of Revenue, when filing the taxpayer's tax return.

Proposed law prohibits credits from being earned for any taxable year beginning after Dec. 31, 2031.

Proposed law applies to taxable periods beginning on or after Jan. 1, 2026.

Effective January 1, 2026.

(Adds R.S. 47:297.26)