
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Riley Boudreaux.

DIGEST

Present law allows individuals and corporations a deduction from taxable income for federal income taxes paid "after all credits" (such "credits" would reduce the state deduction). Excludes from the definition of such "credits" (and therefore would not reduce the deduction) federal income tax credits determined by the Secretary of the Department of Revenue to be presidential disaster area disaster relief credits.

Proposed law provides that, in addition, other federal tax benefits determined by the secretary to be federal tax disaster relief would not reduce the federal income tax deduction.

Present law authorizes a net operating loss carryback to each of the three taxable years preceding the taxable year of such loss.

Proposed law authorizes for individuals and corporations a net operating loss carryback of 5 years if the loss is "attributable to Hurricane Isaac". A loss is "attributable to Hurricane Isaac" if a portion of the Louisiana net loss for the taxable year is attributable to business activity or business property of the taxpayer located in any parish which is in whole or in part in the area with respect to which a disaster has been declared by the President of the United States before September 10, 2012, under Section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of Hurricane Isaac.

Applicable to all tax years beginning January 1, 2012 and thereafter.

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

(Amends R.S. 47:246(E), 287.85(C)(2), 287.86(B)(1) and 293(4)(b)(i))