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

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DIGEST

SB 24 Original

2016 First Extraordinary Session

Gatti

Present law provides that personal income subject to taxation by the state is taxed under a graduated rate structure of two, four and six percent.

Present law provides that the Louisiana income of corporations and entities taxed as corporations subject to taxation by the state is taxed under a graduated rate structure of four, five, six, seven and eight percent.

Present law applies the graduated rate structure to all income subject to taxation by the state including income from oil and gas lease bonus and royalty payments.

Proposed law reduces the rate of tax for individuals and corporations on income from oil and gas lease bonus payments and oil and gas royalty payments to zero percent.

Applicable to taxable periods beginning on or after January 1, 2016.

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

(Adds R.S. 47:32(D))