

2016 First Extraordinary Session

HOUSE BILL NO. 23

BY REPRESENTATIVE JACKSON

TAX/CORP INCOME: Repeals three-year sunset of certain reductions to corporate income tax deductions, exemptions, and exclusions (Item #12)

1 AN ACT

2 To amend and reenact Section 6 of Act No. 123 of the 2015 Regular Session of the
3 Legislature, relative to Act No. 123 of the 2015 Regular Session of the Legislature;
4 to extend the sunset of the reductions in Act No. 123 of the 2015 Regular Session of
5 the Legislature; to provide for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. Section 6 of Act No. 123 of the 2015 Regular Session of the Legislature
8 is hereby amended and reenacted as follows:

9 * * *

10 Section 6. The provisions of Sections 1 and 2 of this Act shall become
11 effective on July 1, 2015, ~~and shall remain effective through June 30, 2018.~~ The
12 ~~provisions of Sections 3 and 4 of this Act shall become effective on July 1, 2018.~~ In
13 the event the Act that originated as House Bill No. 62 of the 2016 First Extraordinary
14 Session of the Legislature is enacted and becomes effective, the provisions of
15 Sections 1 and 2 of this Act shall remain in effect through the sunset date in the Act
16 that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the
17 Legislature.

18 Section 7. The provisions of Sections 6 and 7 of this Act shall become
19 effective on July 1, 2015. The provisions of Sections 3 and 4 of this Act shall
20 become effective upon the sunset date of Sections 1 and 2 of this Act.

1 Section 2. This Act shall become effective upon signature by the governor or, if not
 2 signed by the governor, upon expiration of the time for bills to become law without signature
 3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 4 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 5 effective on the day following such approval.

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 23 Reengrossed

2016 First Extraordinary Session

Jackson

Abstract: Extends reductions made to certain corporate income tax deductions and exclusions in Act No. 123 of the 2015 R.S. for a certain period of time.

Present law sunsets on June 30, 2018, the 28% reductions made in Act No. 123 of the 2015 R.S. to the following corporate income tax deductions and exclusions:

- (1) R.S. 47:51 Exclusions from gross income; governmental subsidies
- (2) R.S. 47:158 Basis for depletion (oil and gas wells)
- (3) R.S. 47:246 Corporations; deduction from net income from La. sources
- (4) R.S. 47:287.71 Modifications to federal gross income
- (5) R.S. 47:287.73 Modifications to deductions from gross income allowed by federal law
- (6) R.S. 47:287.86 Net operating loss deduction
- (7) R.S. 47:287.738 Other inclusions and exclusions from gross income
- (8) R.S. 47:287.745 Deductions from gross income; depletion
- (9) R.S. 51:3092 Corporation income and franchise tax exemption

Proposed law extends the modifications in present law through the sunset date of the provisions of the Act that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the Legislature of Louisiana, if House Bill No. 62 becomes effective.

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

(Amends §6 of Act No. 123 of the 2015 R.S.)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Delete the provisions of proposed law that repealed the sunset provisions of Act No. 123 of 2015 R.S.

2. Extend the modifications made in Act No. 123 of 2015 R.S. if the Act that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the Legislature of Louisiana becomes effective.