

## 2018 First Extraordinary Session

HOUSE BILL NO. 14

BY REPRESENTATIVE LEGER

TAX CREDITS: Provides relative to the individual income tax credit for taxes paid to other states (Item #5)

# 1 AN ACT

2 To amend and reenact Section 4 of Act No. 109 of the 2015 Regular Session of the  
3 Legislature and to repeal Section 2 of Act No. 109 of the 2015 Regular Session of the  
4 Legislature, relative to the individual income tax credit for taxes paid to other  
5 states; to repeal provisions for an increase in the credit; to provide for effectiveness;  
6 and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8           Section 1. Section 4 of Act No. 109 of the 2015 Regular Session of the Legislature  
9       is hereby amended and reenacted to read as follows:

10 \* \* \*

11                   Section 4. The provisions of Sections 1 and 3, 3, and 4 of this Act shall  
12                   become effective on July 1, 2015, and shall remain effective through June 30, 2018,  
13                   at which time the provisions of Sections 1 and 3 of this Act shall become null, void,  
14                   and of no effect. The provisions of Section 4 of this Act shall become effective on  
15                   July 1, 2015. The provisions of Section 2 of this Act shall become effective on July  
16                   1, 2018.

17       Section 2. Section 2 of Act No. 109 of the 2015 Regular Session of the Legislature  
18       is hereby repealed in its entirety.

19 Section 3. This Act shall become effective upon signature by the governor or, if not  
20 signed by the governor, upon expiration of the time for bills to become law without signature

1 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
2 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
3 effective on the day following such approval.

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**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)]

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HB 14 Original

2018 First Extraordinary Session

Leger

**Abstract:** Removes the three-year sunset provision of Act No. 109 of the 2015 R.S. relative to the individual income tax credit for net taxes paid to other states.

Present law authorizes an individual income tax credit in an amount equal to income taxes paid for the same taxable period to another state on income that is subject to La. tax if the other state authorizes a similar credit.

Present law authorizes a credit for three years in an amount of the lesser of the actual amount of tax paid to the other state or the amount of La. income tax that would have been imposed if the income had been earned in La.

Present law provides for termination (sunset) in three years of those provisions of present law that require the state to which income taxes were paid to authorize a similar credit and that the credit amount be the lesser of the actual amount of tax paid to the other state or the amount of La. income tax that would have been imposed if the income had been earned in La.

Proposed law repeals the termination provisions thereby providing for permanent effectiveness of present law.

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

(Amends §4 of Act No. 109 of 2015 R.S.; Repeals §2 of Act No. 109 of 2015 R.S.)