

2018 First Extraordinary Session

HOUSE BILL NO. 7

BY REPRESENTATIVE JAMES

TAX/INCOME TAX: Reduces the amount of the individual income tax deduction for excess federal itemized personal deductions (Item #6)

1 AN ACT

2 To amend and reenact R.S. 47:293(3)(c) and to enact R.S. 47:293(3)(d), relative to the
3 individual income tax; to provide with respect to the deduction for excess federal
4 itemized personal deductions; to reduce the amount of the deduction; to provide for
5 applicability; to provide for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:293(3)(c) is hereby amended and reenacted and R.S. 47:293(3)(d)
8 is hereby enacted to read as follows:

9 §293. Definitions

10 The following definitions shall apply throughout this Part, unless the context
11 requires otherwise:

12 * * *

13 (3) "Excess federal itemized personal deductions" for the purposes of this
14 Part, means the following percentages of the amount by which the federal itemized
15 personal deductions exceed the amount of federal standard deductions which is
16 designated for the filing status used for the taxable period on the individual income
17 tax return required to be filed:

18 * * *

1 (c) For all tax years beginning on and after January 1, 2009, but before
2 January 1, 2018, one hundred percent of such excess federal itemized personal
3 deductions.

4 (d) For all tax years beginning on and after January 1, 2018, fifty percent of
5 such excess federal itemized personal deductions.

6 * * *

7 Section 2. The provisions of this Act shall be applicable to all tax years beginning
8 on and after January 1, 2018.

9 Section 3. This Act shall become effective upon signature by the governor or, if not
10 signed by the governor, upon expiration of the time for bills to become law without signature
11 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
12 vetoed by the governor and subsequently approved by the legislature, this Act shall become
13 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)]

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Abstract: Reduces the amount of the individual income tax deduction for excess federal itemized personal deductions from 100% to 50% for all tax years beginning on and after Jan. 1, 2018.

Present law authorizes a deduction from individual income taxes for excess federal itemized personal deductions. Excess federal itemized personal deductions is defined to mean 100% of the amount by which the federal itemized personal deductions exceed the amount of federal standard deductions designated for the filing status used for the taxable period on the individual income tax return.

Proposed law reduces the amount of the deduction from 100% to 50% for all tax years beginning on and after Jan. 1, 2018.

Applicable for all tax years beginning on and after Jan, 1, 2018.

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

(Amends R.S. 47:293(3)(c); Adds R.S. 47:293(3)(d))