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

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DIGEST

SB 8 Reengrossed

2016 Second Extraordinary Session

Morrell

Present law provides an income tax credit against La. income tax for the surcharges, market equalization charges, or assessments paid by a taxpayer for the La. Citizens Property Insurance Corporation assessments due to hurricanes Katrina and Rita. The amount of the tax credit is equal to 72% of the amount of the surcharges, market equalization charges, or assessments paid.

Present law relative to the amount of the credit sunsets on June 30, 2018. Further reinstates the full credit amount of 100% of the amount of the surcharges, market equalization charges, or assessments paid beginning July 1, 2018.

Proposed law reduces the amount of the credit from 72% to 0% of the amount of the surcharges, market equalization charges, or assessments paid. Further repeals the sunset of the reduction, thereby making the reduction permanent.

Proposed law provides that the provisions of proposed law shall be applicable to all taxable periods beginning on or after January 1, 2016.

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

(Amends R.S. 47:6025(A)(1); repeals R.S. 47:6025(A)(1) as amended by Acts 2015, No. 125, § 5)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Reduces the tax credit from 72% to 25% of the amount of the surcharges, market equalization charges, or assessments paid.
2. Provides for the period of applicability of the tax credit.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the engrossed bill

1. Further reduces the tax credit from 25% to 0%.