HLS 11RS-675 ORIGINAL

Regular Session, 2011

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HOUSE BILL NO. 242

BY REPRESENTATIVE HINES

TAX/TAXATION: (Constitutional Amendment) Repeals provision authorizing the state to levy a tax on net incomes and adds a provision prohibiting the state from levying a tax upon the income of individuals or corporations

A JOINT RESOLUTION

2	Proposing to add Article VII, Section 2.3 and to repeal Article VII, Section 4(A) of the
3	Constitution of Louisiana, relative to the authority to levy state taxes; to prohibit the
4	state from levying certain taxes; to prohibit a tax upon the income of individuals or
5	corporations; to repeal the provision authorizing the levy of a tax on net incomes of
6	taxpayers; to provide for an effective date; to provide for submission of the proposed
7	amendment to the electors; and to provide for related matters.
8	Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
9	elected to each house concurring, that there shall be submitted to the electors of the state of
10	Louisiana, for their approval or rejection in the manner provided by law, a proposal to add
11	Article VII, Section 2.3 and to repeal Article VII, Section 4(A) of the Constitution of
12	Louisiana, to read as follows:
13	§2.3. Power to Tax; Individual Income and Corporate Income Taxes; Prohibition
14	Section 2.3. Effective January 1, 2012, the state of Louisiana or any political
15	subdivision whose boundaries are coterminous with those of the state shall not levy
16	or impose any tax upon the income of individuals or corporations.
17	Section 2. Be it further resolved that the provisions of this amendment shall become
18	effective on January 1, 2012.

1 Section 3. Be it further resolved that this proposed amendment shall be submitted to 2 the electors of the state of Louisiana at the statewide election to be held on October 22, 2011. 3 Section 4. Be it further resolved that on the official ballot to be used at said election 4 there shall be printed a proposition, upon which the electors of the state shall be permitted to 5 vote FOR or AGAINST, to amend the Constitution of Louisiana, which proposition shall read 6 as follows: 7 To prohibit, effective January 1, 2012, the levy of any state tax upon the 8 income of individuals or corporations; to repeal the provision of the 9 Constitution of Louisiana which authorizes the levy of a tax on net incomes. 10 (January 1, 2012) (Adds Article VII, Section 2.3; Repeals Article VII, Section 11 4(A))

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)]

Hines HB No. 242

Abstract: Prohibits the state or any political subdivision whose boundaries are coterminous with those of the state to levy a tax upon the income of individuals or corporations and repeals the provision which authorizes the levy of a tax on net incomes.

<u>Present constitution</u> authorizes the levy of equal and uniform taxes on net incomes. Further authorizes the tax to be graduated according to the amount of net income of the taxpayer; however, the schedule of rates and brackets for state individual and joint income tax shall not exceed the rates and brackets set forth in <u>present law</u> as it existed on Jan. 1, 2003.

<u>Proposed constitutional amendment</u> repeals <u>present constitution</u>.

<u>Proposed constitutional amendment</u>, effective Jan.1, 2012, prohibits the state or any political subdivision whose boundaries are coterminous with those of the state from levying any tax upon the income of individuals or corporations.

Effective Jan. 1, 2012.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Oct. 22, 2011.

(Adds Const. Art. VII, §2.3; Repeals Const. Art. VII, §4(A))