

Regular Session, 2013

HOUSE BILL NO. 639

BY REPRESENTATIVE ROBIDEAUX

TAX/INCOME TAX: Repeals the state tax levied on the taxable income of individuals

1 AN ACT

2 To amend and reenact R.S. 47:31, 32, 181, and 241 and to repeal R.S. 47:101(A), 112, 116,  
3 201, 290, 292, 295, 300.1, and 300.2, relative to individual income tax; to repeal the  
4 tax imposed on the income of individuals and estates; to repeal provisions relative  
5 to the administration and filing of such taxes; to provide for effectiveness; and to  
6 provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:31, 32, 181, and 241 are hereby amended and reenacted to read  
9 as follows:

10 §31. ~~Individuals, corporations~~ Corporations and trusts subject to tax

11 There shall be levied, collected, and paid for each taxable year a tax upon the  
12 net income of ~~residents and nonresidents, estates,~~ trusts and corporations, as  
13 hereinafter provided.

14 (1) ~~Resident individuals. Every person residing within the state, or the~~  
15 ~~personal representative in the event of death, shall pay a tax on net income from~~  
16 ~~whatever source derived, except as hereinafter exempted.~~

17 Every natural person domiciled in the state, and every other natural person  
18 who maintains a permanent place of abode within the state or who spends in the  
19 aggregate more than six months of the taxable year within the state, shall be deemed

1 to be a resident of this state for the purpose of determining liability for income taxes  
2 under this Chapter.

3 ~~(2) Nonresident individuals. Every nonresident shall pay a tax upon such net~~  
4 ~~income as is derived from property located, or from services rendered, or from~~  
5 ~~business transacted within the state, or from sources within the state, except as~~  
6 ~~hereinafter exempted.~~

7 ~~(3) Corporations. Corporations shall be taxed on net income from sources~~  
8 ~~within the state, as hereinafter set out.~~

9 ~~(4) (2) Domestic real estate investment trusts. Trusts shall be taxed on net~~  
10 ~~income from whatever source derived, except as otherwise exempted.~~

11 ~~(5) (3) Foreign real estate investment trusts. Foreign real estate investment~~  
12 ~~trusts shall be taxed on net income from sources within the state, as hereinafter set~~  
13 ~~out.~~

14 §32. Rates of tax

15 ~~A. On individuals. The tax to be assessed, levied, collected and paid upon~~  
16 ~~the taxable income of an individual shall be computed at the following rates:~~

17 ~~(1) Two percent on that portion of the first twelve thousand five hundred~~  
18 ~~dollars of net income which is in excess of the credits against net income provided~~  
19 ~~for in R.S. 47:79;~~

20 ~~(2) Four percent on the next thirty-seven thousand five hundred dollars of~~  
21 ~~net income;~~

22 ~~(3) Six percent on any amount of net income in excess of fifty thousand~~  
23 ~~dollars of net income.~~

24 ~~B. Joint returns of individuals. In the case of a joint return of husband and~~  
25 ~~wife under R.S. 47:101B, the combined tax under Sub-section A of this Section shall~~  
26 ~~be twice the combined tax that would be determined if the net income and the~~  
27 ~~applicable credits against net income provided by R.S. 47:79 were reduced by~~  
28 ~~one-half.~~





1 denominator of the fraction used in determining the ratio shall be computed on the  
2 basis that such net income is determined for federal income tax purposes.

3 \* \* \*

4 Section 2. R.S. 47:101(A), 112, 116, 201, 290, 292, 295, 300.1, and 300.2 are hereby  
5 repealed in their entirety.

6 Section 3. This Act shall become effective on January 1, 2014.

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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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Robideaux

HB No. 639

**Abstract:** Repeals the state tax levied on the taxable income of individuals and estates and repeals provisions relative to the administration and filing of such tax.

Present law imposes an income tax on individuals at the following rate:

- (1) 2% on the first \$12,500 of tax table income
- (2) 4% on the next \$37,500 of tax table income
- (3) 6% on all tax table income over \$50,000

Present law provides for various administrative and other provisions relating to the imposition, withholding, payment, and collection of the tax.

Proposed law repeals present law.

Effective January 1, 2014.

(Amends R.S. 47:31, 32, 181, and 241; Repeals R.S. 47:101(A), 112, 116, 201, 290, 292, 295, 300.1, and 300.2)