

Second Extraordinary Session, 2008

HOUSE BILL NO. 41

BY REPRESENTATIVE HENRY

TAX/INCOME TAX: Returns certain individual income tax rates and brackets to those in effect prior to the "Stelly Plan"

1 AN ACT

2 To amend and reenact R.S. 47:32(A)(2) and (3), relative to the individual income tax; to
3 revise certain individual income tax brackets; to provide for an effective date; and
4 to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:32(A)(2) and (3) are hereby amended and reenacted to read as
7 follows:

8 §32. Rates of tax

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

11 * * *

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

14 (3) Six percent on any amount of net income in excess of ~~twenty-five~~ fifty
15 thousand dollars of net income.

16 * * *

17 Section 2. The provisions of this Act shall become effective for all taxable periods
18 beginning on or after January 1, 2008.

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)]

Henry

HB No. 41

Abstract: Revises certain individual income tax brackets that were changed as a result of the "Stelly Plan" to place them back to pre-Stelly Plan levels.

Present law levies an income tax on individuals at the following rates for the following brackets:

<u>Rates</u>	<u>2% of</u> <u>net income</u>	<u>4% of</u> <u>net income</u>	<u>6% of</u> <u>net income</u>
Single	Up to \$12,500	\$12,500 to \$25,000	over \$25,000
Joint	Up to \$25,000	\$25,000 to \$50,000	over \$50,000

Proposed law changes the income tax rate and bracket structure in the following manner:

<u>Rates</u>	<u>2% of</u> <u>net income</u>	<u>4% of</u> <u>net income</u>	<u>6% of</u> <u>net income</u>
Single	Up to \$12,500	\$12,500 to \$50,000	over \$50,000
Joint	Up to \$25,000	\$25,000 to \$100,000	over \$100,000

Effective for all taxable periods beginning on or after January 1, 2008.

(Amends R.S. 47:32(A)(2) and (3))