

Regular Session, 2005

HOUSE BILL NO. 782

BY REPRESENTATIVE JANE SMITH

TAX/INCOME TAX: Provides for the deductibility of federal itemized income taxes

1 AN ACT

2 To amend and reenact R.S. 47:293(2) and (7), and to enact R.S. 47:293(2) and (6)(a)(i),  
3 relative to the individual income tax; to provide for a deduction for excess federal  
4 itemized deductions; to provide for the effectiveness of such deduction; to provide  
5 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(2) and (7) are hereby amended and reenacted and R.S.  
8 47:293(2) and (6)(a)(i) are 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 (2)(a) Except as further provided in this Paragraph, "excess federal itemized  
14 personal deductions" for the purposes of this Part means the amount by which the  
15 federal itemized personal deductions exceed the amount of federal standard  
16 deduction designated for the filing status used for the taxable period on the  
17 individual income tax return required to be filed.

18 (i) For taxable years beginning after December 31, 2006, and before January  
19 1, 2008, "excess federal itemized personal deductions" shall mean ten percent of the  
20 amount of excess federal itemized deductions as defined in Subparagraph (a) of this  
21 Paragraph.

1           (ii) For taxable years beginning after December 31, 2007, and before January  
2           1, 2009, "excess federal itemized personal deductions" shall mean twenty percent of  
3           the amount of excess federal itemized deductions as defined in Subparagraph (a) of  
4           this Paragraph.

5           (iii) For taxable years beginning after December 31, 2008, and before  
6           January 1, 2010, "excess federal itemized personal deductions" shall mean thirty  
7           percent of the amount of excess federal itemized deductions as defined in  
8           Subparagraph (a) of this Paragraph.

9           (iv) For taxable years beginning after December 31, 2009, and before  
10          January 1, 2011, "excess federal itemized personal deductions" shall mean forty  
11          percent of the amount of excess federal itemized deductions as defined in  
12          Subparagraph (a) of this Paragraph.

13          (v) For taxable years beginning after December 31, 2010, and before January  
14          1, 2012, "excess federal itemized personal deductions" shall mean fifty percent of the  
15          amount of excess federal itemized deductions as defined in Subparagraph (a) of this  
16          Paragraph.

17          (vi) For taxable years beginning after December 31, 2011, and before  
18          January 1, 2013, "excess federal itemized personal deductions" shall mean sixty  
19          percent of the amount of excess federal itemized deductions as defined in  
20          Subparagraph (a) of this Paragraph.

21          (vii) For taxable years beginning after December 31, 2012, and before  
22          January 1, 2014, "excess federal itemized personal deductions" shall mean seventy  
23          percent of the amount of excess federal itemized deductions as defined in  
24          Subparagraph (a) of this Paragraph.

25          (viii) For taxable years beginning after December 31, 2013, and before  
26          January 1, 2015, "excess federal itemized personal deductions" shall mean eighty  
27          percent of the amount of excess federal itemized deductions as defined in  
28          Subparagraph (a) of this Paragraph.



1           (2)(a) ~~Except as further provided in this Paragraph, "Excess federal itemized~~  
2           personal deductions" for the purposes of this Part means the amount by which the  
3           federal itemized personal deductions exceed the amount of federal standard  
4           deduction designated for the filing status used for the taxable period on the  
5           individual income tax return required to be filed.

6           (i) ~~For taxable years beginning after December 31, 2006, and before January~~  
7           1, 2008, "excess federal itemized personal deductions" shall mean ten percent of the  
8           amount of excess federal itemized deductions as defined in Subparagraph (a) of this  
9           Paragraph.

10          (ii) ~~For taxable years beginning after December 31, 2007, and before January~~  
11          1, 2009, "excess federal itemized personal deductions" shall mean twenty percent of  
12          the amount of excess federal itemized deductions as defined in Subparagraph (a) of  
13          this Paragraph.

14          (iii) ~~For taxable years beginning after December 31, 2008, and before~~  
15          January 1, 2010, "excess federal itemized personal deductions" shall mean thirty  
16          percent of the amount of excess federal itemized deductions as defined in  
17          Subparagraph (a) of this Paragraph.

18          (iv) ~~For taxable years beginning after December 31, 2009, and before~~  
19          January 1, 2011, "excess federal itemized personal deductions" shall mean forty  
20          percent of the amount of excess federal itemized deductions as defined in  
21          Subparagraph (a) of this Paragraph.

22          (v) ~~For taxable years beginning after December 31, 2010, and before January~~  
23          1, 2012, "excess federal itemized personal deductions" shall mean fifty percent of the  
24          amount of excess federal itemized deductions as defined in Subparagraph (a) of this  
25          Paragraph.

26          (vi) ~~For taxable years beginning after December 31, 2011, and before~~  
27          January 1, 2013, "excess federal itemized personal deductions" shall mean sixty  
28          percent of the amount of excess federal itemized deductions as defined in  
29          Subparagraph (a) of this Paragraph.

1           ~~(vii) For taxable years beginning after December 31, 2012, and before~~  
2           ~~January 1, 2014, "excess federal itemized personal deductions" shall mean seventy~~  
3           ~~percent of the amount of excess federal itemized deductions as defined in~~  
4           ~~Subparagraph (a) of this Paragraph.~~

5           ~~(viii) For taxable years beginning after December 31, 2013, and before~~  
6           ~~January 1, 2015, "excess federal itemized personal deductions" shall mean eighty~~  
7           ~~percent of the amount of excess federal itemized deductions as defined in~~  
8           ~~Subparagraph (a) of this Paragraph.~~

9           ~~(ix) For taxable years beginning after December 31, 2014, and before~~  
10          ~~January 1, 2016, "excess federal itemized personal deductions" shall mean ninety~~  
11          ~~percent of the amount of excess federal itemized deductions as defined in~~  
12          ~~Subparagraph (a) of this Paragraph.~~

13          Section 3. The provisions of Sections 1 and 3 of this Act shall become effective  
14          upon signature by the governor or, if not signed by the governor, upon expiration of the time  
15          for bills to become law without signature by the governor, as provided by Article III, Section  
16          18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved  
17          by the legislature, this Act shall become effective on the day following such approval. The  
18          provisions of Section 2 of this Act shall become effective on January 1, 2016 and shall be  
19          applicable to taxable years beginning after December 31, 2015.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

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Jane Smith

HB No. 782

**Abstract:** Provides for the deductibility of excess federal itemized deductions.

Proposed law provides for a deduction from individual income taxes for excess federal itemized deductions.

Proposed law defines the phrase "excess federal itemized deductions" to mean the amount by which the federal itemized personal deductions exceed the amount of federal standard deduction designated for the filing status used for the taxable period on the individual income tax return required to be filed. Excess federal itemized deductions are deducted from tax table income pursuant to the following schedule:

<u>For taxable years</u>	<u>% Deductible</u>
Beginning after 12/31/06 and before 1/1/08	10%
Beginning after 12/31/07 and before 1/1/09	20%
Beginning after 12/31/08 and before 1/1/10	30%
Beginning after 12/31/09 and before 1/1/11	40%
Beginning after 12/31/10 and before 1/1/12	50%
Beginning after 12/31/11 and before 1/1/13	60%
Beginning after 12/31/12 and before 1/1/14	70%
Beginning after 12/31/13 and before 1/1/15	80%
Beginning after 12/31/14 and before 1/1/16	90%

The above provisions are effective upon signature of governor or lapse of time for gubernatorial action.

Proposed law further provides that excess federal itemized deductions are fully deductible from tax table income for taxable years beginning after December 31, 2015.

This provision is effective on Jan. 1, 2016.

(Amends R.S. 47:293(2) and (7); Adds R.S. 47:293(2) and (6)(a)(i))