

Regular Session, 2005

SENATE BILL NO. 30

BY SENATOR ADLEY

TAX/INCOME/PERSONAL. Exempts \$12,000 of annual income of both the husband and wife if both are 65 years of age or older and filing a joint return. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 47:44.1(A), relative to income tax; to recognize and affirm an  
3 administrative construction regarding an exemption for annual retirement income  
4 by making the Act retroactive; to provide for an exemption for couples filing jointly;  
5 and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:44.1(A) is hereby amended and reenacted to read as follows:

8 §44.1. Annual retirement or disability income; exemption from taxation

9 A. Six thousand dollars of annual retirement income which is received by an  
10 individual sixty-five years of age or older shall be exempt from state income  
11 taxation. **When both the husband and wife are sixty-five years of age or older**  
12 **and file a joint return, twelve thousand dollars of annual retirement income**  
13 **shall be exempt from state income taxation regardless of which spouse received**  
14 **the income.** "Annual retirement income" is defined as pension and annuity income  
15 which is included in "tax table income" as defined in R.S. 47:293. This Section shall  
16 not affect the status of any income which is exempt from state income taxation by  
17 law.

\* \* \*

Section 2. The legislature finds that the Department of Revenue, since the enactment of R.S. 47:44.1 in 1981 has administratively construed and interpreted R.S. 47:44.1(A) to authorize the spouse as well as the recipient of retirement income to also take a six thousand dollar income tax deduction against such income in recognition of the spouse's community interest in such retirement income. Because such construction and interpretation has recently changed, it is the intention of the legislature by enacting this Act to recognize and affirm the original administrative construction and interpretation of R.S. 47:44.1(A) and therefore the provisions of this Act shall be retroactive.

Section 3. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Riley Boudreaux.

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Adley (SB 30)

DIGEST

Present law exempts \$6,000 of annual retirement income which is received by an individual 65 years of age or older.

Proposed law allows for, both husband and wife, who are both 65 or older and who file a joint return, \$12,000 of annual retirement income to be exempt from state income taxation regardless of which spouse received the income.

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

(Amends R.S. 47:44.1(A))

Summary of Amendments Adopted by Senate

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

1. Requires both spouses to be 65 or older to received the \$12,000 exemption.