

Regular Session, 2005

SENATE BILL NO. 154

BY SENATOR BAJOIE

TAX/INCOME/PERSONAL. Phases-in over 10 years a 10% credit against individual income taxes for charitable contributions. (gov sig)

1 AN ACT

2 To enact R.S. 47:297(N), relative to individual income tax; to provide for a state income tax
3 credit for charitable contributions; to define such charitable contributions; to provide
4 the amount of the credit; to provide for an effective date; and to provide for related
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:297(N) is hereby enacted to read as follows:

8 §297. Reduction to tax due

9 * * *

10 **N. Charitable Contribution of Credit.**

11 **(1) The tax as determined in this Part for the tax year shall be reduced**
12 **by the lesser of the tax due or a credit of the taxable percentage of contributions**
13 **of amounts that would be charitable contributions for federal income tax**
14 **purposes.**

15 **(2) Applicable percentage means:**

16 **(a) One percent for tax periods beginning after December 31, 2005, and**
17 **ending before January 1, 2007.**

1 **(b) Two percent for tax periods beginning after December 31, 2006, and**
2 **ending before January 1, 2008.**

3 **(c) Three percent for tax periods beginning after December 31, 2007, and**
4 **ending before January 1, 2009.**

5 **(d) Four percent for tax periods beginning after December 31, 2008, and**
6 **ending before January 1, 2010.**

7 **(e) Five percent for tax periods beginning after December 31, 2009, and**
8 **ending before January 1, 2011.**

9 **(f) Six percent for tax periods beginning after December 31, 2010, and**
10 **ending before January 1, 2012.**

11 **(g) Seven percent for tax periods beginning after December 31, 2011, and**
12 **ending before January 1, 2013.**

13 **(h) Eight percent for tax periods beginning after December 31, 2012, and**
14 **ending before January 1, 2014.**

15 **(i) Nine percent for tax periods beginning after December 31, 2013, and**
16 **ending before January 1, 2015.**

17 **(j) Ten percent for tax periods beginning after December 31, 2014.**

18 Section 2. This Act shall become effective upon signature by the governor or, if not
19 signed by the governor, upon expiration of the time for bills to become law without signature
20 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
21 vetoed by the governor and subsequently approved by the legislature, this Act shall become
22 effective on the day following such approval.

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

DIGEST

Proposed law provides an individual income tax credit of ten percent of charitable contributions phased-in over ten years.

Effective for taxable periods beginning after December 31, 2005.

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

(Adds R.S. 47:297(N))