

SENATE BILL NO. 3

BY SENATOR ALLAIN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

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AN ACT

To amend and reenact R.S. 47:32.1(A)(1) and 601.2(A)(1), relative to personal income tax and corporation franchise tax automatic rate reductions; to change the month for the annual determination of the automatic rate reductions; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:32.1(A)(1) and 601.2(A)(1) are hereby amended and reenacted to read as follows:

§32.1. Individual income tax rate reduction; trigger

A.(1) Beginning ~~April~~ **January** 1, 2024, and each ~~April~~ **January** first through 2034, if the prior fiscal year's actual individual income tax collections as reported in the state's accounting system exceed the actual individual income tax collections for the fiscal year ending June 30, 2019, as reported in the state's accounting system, adjusted annually by the growth factor provided for in Article VII, Section 10(C) of the Constitution of Louisiana, the individual income tax rate in R.S. 47:32 for the tax year beginning the following January first shall be reduced as provided in Paragraph (2) of this Subsection.

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§601.2. Automatic rate reduction

A.(1) Beginning ~~April~~ **January** 1, 2024, and each ~~April~~ **January** first thereafter, if the prior fiscal year's actual corporation income and franchise tax collections as reported in the state's accounting system exceed the actual corporation income and franchise tax collections for the fiscal year ending June 30, 2019, as reported in the state's accounting system, adjusted annually by the growth factor provided for in Article VII, Section 10(C) of the Constitution of Louisiana, the

1 corporation franchise tax rate in R.S. 47:601 for the tax year beginning the following
2 January first shall be reduced as provided in Paragraph (2) of this Subsection.

3 * * *

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

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____