Louisiana Revised Statutes Section 293
Definitions

The following definitions shall apply throughout this Part, unless the context requires otherwise:

(1) "Adjusted gross income" means, for any taxable year and for any individual, the adjusted gross income of the individual for the taxable year that is reportable on the individual's federal income tax return.

(2)(a)(i) "Construction code retrofitting deduction" for the purposes of this Part, means an amount equal to fifty percent of the cost paid or incurred on or after January 1, 2007, by a taxpayer to voluntarily retrofit an existing residential structure, for which the taxpayer claims the homestead exemption for ad valorem tax purposes, excluding rental property, as provided for in Subparagraph (e) of this Paragraph to bring it into compliance with the State Uniform Construction Code, less the value of any other state-, municipal-, or federal-sponsored financial incentives for such cost paid.

(ii) "Voluntarily retrofit an existing residential structure" means that the retrofitting is not a construction, reconstruction, alteration, or repair of such structure required by the State Uniform Construction Code because the structure is a new residential structure or because of damage or destruction of an existing residential structure.

(b) The total amount of deduction granted to a taxpayer under this Paragraph shall not exceed five thousand dollars per retrofitted residential structure. The deduction earned under this Paragraph shall be claimed on the return for the taxable year in which the work is completed.

(c) In order to qualify for the deduction, the taxpayer shall submit with his return proof that the work completed complies with the State Uniform Construction Code and any information verifying the total cost of the project and that the project was a voluntary project as provided for in this Paragraph as may be required by the Department of Revenue by rule or regulation.

(d) The secretary of the Department of Revenue shall promulgate such rules and regulations in accordance with the Administrative Procedure Act as may be necessary to carry out the provisions of this Paragraph.

(e) As used in this Paragraph, "retrofit" means improvements to a previously constructed structure regarding any of the following:

(i) Roof deck attachment.
(ii) Secondary water barrier.

(iii) Roof covering.

(iv) Gable ends bracing.

(v) Roof-to-wall connections.

(vi) Opening protection.

(vii) Exterior doors, including garage doors.

(f) A taxpayer shall not receive any other state tax credit, exemption, exclusion, deduction, or any other tax benefit for items of tangible personal property for which the taxpayer has received a tax credit under this Paragraph.

(3) "Excess federal itemized personal deductions" for the purposes of this Part, means one hundred percent of the amount by which the federal itemized personal deduction for expenses for medical care used by the taxpayer in the calculation of federal taxable income exceeds the amount of the federal standard deduction that is designated for the filing status used for the taxable period on the individual income tax return required to be filed. For purposes of this Paragraph, the term "expenses for medical care" has the meaning given the term in Section 213(d) of the Internal Revenue Code and is subject to all applicable federal limitations.


(5) "Hurricane recovery entity" means the Road Home Corporation as provided for in Chapter 3-E of Title 40 of the Louisiana Revised Statutes of 1950, the Louisiana Recovery Authority as provided for in Part V of Chapter 2 of Title 49 of the Louisiana Revised Statutes of 1950, the disaster recovery unit within the office of community development, division of administration, or the Louisiana Family Recovery Corps.

(6) "Individual" means a natural person. However, for any taxable year, a husband and wife may file a joint income tax return and a surviving spouse may file a joint income tax return on behalf of the survivor and the deceased for the year in which the death occurred, if the survivor has not remarried during the year of death.

(7)(a) "The recreation volunteer and volunteer firefighter deduction" for the purposes of this Part, means a deduction in the amount of five hundred dollars per tax year for individuals who volunteer for recreation departments and volunteer fire departments.

(b) In order to qualify for the deduction for volunteers for recreation departments, the taxpayer must comply with the following requirements:

   (i) The taxpayer must serve as a volunteer for thirty or more hours during the taxable year.

   (ii) The taxpayer must be registered by the recreation department as a volunteer.
(iii) The recreation department must be operated by the state of Louisiana or a political subdivision of the state.

(c) The recreation department shall certify in writing that the taxpayer served as a volunteer for thirty or more hours during the year and that the taxpayer was not compensated for these services. The certification shall include the taxpayer's name, address, and social security number and the name and address of the recreation department.

(d) In order to qualify for the deduction as a volunteer firefighter, the individual shall complete twenty-four hours of continuing education annually, and shall be an active member of the Louisiana State Fireman's Association, or on the departmental personnel roster for the State Fire Marshal's Volunteer Fireman's Insurance Program.

(8) "Tax" or "tax liability" means the liability for all amounts owing by an individual to the state of Louisiana under this Part.

(9)(a) "Tax table income", for resident individuals, means adjusted gross income plus interest on obligations of a state or political subdivision thereof, other than Louisiana and its municipalities, title to which obligations vested with the resident individual on or subsequent to January 1, 1980, and less:

(i) Any gratuitous grant, loan, or other benefit directly or indirectly provided to a taxpayer by a hurricane recovery entity if such benefit was included in federal adjusted gross income.


(iii) Income exempt from taxation under the laws of Louisiana or which Louisiana is prohibited from taxing by the constitution or laws of the United States.

(iv) The excess, if any, of the personal exemptions and deductions provided for in R.S. 47:294 over the amount of the personal exemptions and deductions already included in the tax tables promulgated by the secretary under authority of R.S. 47:295.

(v) The amount deposited in a medical savings account as defined in R.S. 47:297.1(B), and any interest accrued thereon; however, any amount withdrawn from a medical savings account for purposes other than paying eligible medical expenses or to procure health insurance shall be included in tax table income.

(vi) For tax years beginning on and after January 1, 2001, the amount deposited in an education savings account as provided in R.S. 17:3095(A)(1)(b), and any interest accrued thereon; however, any such deposit plus interest withdrawn from an education savings account for purposes other than paying qualified higher education expenses, as defined in R.S. 17:3092(10) shall be included in tax table income.

(vii) The amount of the exclusion provided for in R.S. 47:297.3 for S Bank shareholders.
(viii) For tax years beginning on and after January 1, 2005, the amount deposited in an education savings account as provided in R.S. 17:3095(A)(1)(c), and any interest accrued thereon; however, any such deposit plus interest withdrawn from an education savings account for purposes other than paying qualified higher education expenses, as defined in R.S. 17:3092 shall be included in tax table income.

(ix) A deduction for expenses disallowed by I.R.C. Section 280C. In computing net income, a deduction shall be allowed for expenses which would otherwise be deductible under federal law, but for the disallowance provisions of I.R.C. Section 280C, relative to certain expenses for which federal credits are allowable.

(x) The temporary teacher deduction.

(xi) Excess federal itemized personal deductions.

(xii) The recreation volunteer and volunteer firefighter deduction.

(xiii) The construction code retrofitting deduction.

(xiv) The elementary and secondary school tuition deduction as provided for in R.S. 47:297.10.

(xv) The educational expenses deduction for home-schooled children as provided for in R.S. 47:297.11.

(xvi) The deduction for fees and other educational expenses for a quality public education as provided for in R.S. 47:297.12.

(xvii) Income from net capital gains, which shall be limited to gains recognized and treated for federal income tax purposes as arising from the sale or exchange of an equity interest in or substantially all of the assets of a nonpublicly traded corporation, partnership, limited liability company, or other business organization commercially domiciled in this state. The provisions of this Item shall apply only to the sale or exchange of an equity interest in or the assets of a nonpublicly traded business that the taxpayer has held for a minimum of five years immediately prior to the sale or exchange. The amount of the deduction shall be limited as follows:

(I) For the sale or exchange of an equity interest or substantially all of the assets of an entity domiciled in the state for five years or greater, but less than ten years, prior to the sale or exchange, the capital gains deduction shall be fifty percent.

(II) For the sale or exchange of an equity interest or substantially all of the assets of an entity domiciled in the state for ten years or greater, but less than fifteen years, prior to the sale or exchange, the capital gains deduction shall be sixty percent.

(III) For the sale or exchange of an equity interest or substantially all of the assets of an entity domiciled in the state for fifteen years or greater, but less than twenty
years, prior to the sale or exchange, the capital gains deduction shall be seventy percent.

(IV) For the sale or exchange of an equity interest or substantially all of the assets of an entity domiciled in the state for twenty years or greater, but less than twenty-five years, prior to the sale or exchange, the capital gains deduction shall be eighty percent.

(V) For the sale or exchange of an equity interest or substantially all of the assets of an entity domiciled in the state for twenty-five years or greater, but less than thirty years, prior to the sale or exchange, the capital gains deduction shall be ninety percent.

(VI) For the sale or exchange of an equity interest or substantially all of the assets of an entity domiciled in the state for thirty years or greater, the capital gains deduction shall be one hundred percent.


(xix) For taxable periods beginning on and after January 1, 2020, and on or before December 31, 2020, the COVID-19 educational expenses deduction as provided for in R.S. 47:297.15.

(xx) Any gratuitous grant, loan, rebate, tax credit, advance refund, or other qualified disaster relief benefit directly or indirectly provided to a taxpayer by the state or federal government as a COVID-19 relief benefit as defined in R.S. 47:297.16 if the benefit was included in the taxpayer's federal adjusted gross income.

(xxi) The exemption for military survivor benefit plan payments pursuant to R.S. 47:297.17.

(xxii) The digital nomad exemption as provided for in R.S. 47:297.18.

(xxiii) The deduction for adopting a child or youth from foster care as provided in R.S. 47:297.20.

(xxiv) The deduction for the private adoption of certain infants as provided for in R.S. 47:297.21.

(xxv) For tax years beginning on and after January 1, 2022, the amount deposited in an education savings account as provided in R.S. 17:3100.5(A)(1)(b) and any interest accrued thereon; however, any deposit plus interest withdrawn from an education savings account for purposes other than paying qualified education expenses, as defined in R.S. 17:3100.2, shall be included in tax table income.

(b) Interest on obligations of the state of Louisiana, its political subdivisions, public corporations created by them and constituted authorities thereof authorized to issue obligations on their behalf, title to which obligations vested with a resident individual
shall be excluded from "tax table income" and is hereby declared exempt from state income taxation.

(c) Interest on obligations of other states and their subdivisions, public corporations created by them and constituted authorities thereof authorized to issue obligations on their behalf, title to which obligations vested with a resident individual prior to January 1, 1980, shall be excluded from "tax table income" and if title to such obligations vests with a resident individual after January 1, 1980, interest thereon shall be included in "tax table income".

(d) For the purposes of this Paragraph, income distributed by a trust, partnership, or mutual fund to an individual taxpayer shall retain the same character in his hands as it had in the hands of such distributor to the extent such income similarly retains its character for federal income tax purposes.

(e) For tax years beginning after December 31, 2002, and before January 1, 2022, in the case of an individual who is on active duty as a member of the armed forces of the United States, which full-time duty is or will be continuous and uninterrupted for one hundred twenty consecutive days or more, total compensation paid for services performed outside this state by the armed forces of the United States of up to thirty thousand dollars shall be excluded from "tax table income" and is hereby declared exempt from state income taxation. For tax years beginning on or after January 1, 2022, the exclusion shall be up to fifty thousand dollars.

(10) "Tax table income", for nonresident individuals, means the amount of Louisiana income, as provided in this Part, allocated and apportioned under the provisions of R.S. 47:241 through 247, plus the total amount of the personal exemptions and deductions already included in the tax tables promulgated by the secretary under authority of R.S. 47:295, less the proportionate amount of excess federal itemized personal deductions; the temporary teacher deduction; the recreation volunteer and volunteer firefighter deduction; the construction code retrofitting deduction; any gratuitous grant, loan, or other benefit directly or indirectly provided to a taxpayer by a hurricane recovery entity if such benefit was included in federal adjusted gross income; any gratuitous grant, loan, rebate, tax credit, advance refund, or other qualified disaster relief benefit directly or indirectly provided to a taxpayer by the state or federal government as a COVID-19 relief benefit as defined in R.S. 47:297.16 if the benefit was included in the taxpayer's federal adjusted gross income; the exclusion provided for in R.S. 47:297.3 for S Bank shareholders; the deduction for expenses disallowed by 26 U.S.C. 280C; salaries, wages, or other compensation received for disaster or emergency-related work rendered during a declared state disaster or emergency; wages of nonresident individuals who are eligible for the mobile workforce exemption pursuant to R.S. 47:248; the deduction for net capital gains; the pass-through entity exclusion provided in R.S. 47:297.14; the exemption for military survivor benefit plan payments pursuant to R.S. 47:297.11; and personal exemptions and deductions provided for in R.S. 47:294. The proportionate amount is to be determined by the ratio of Louisiana income to federal adjusted gross income. When federal adjusted gross income is less than Louisiana income, the ratio shall be one hundred percent.

(11)(a) "Temporary teacher deduction" for the purposes of this Part, means a deduction for each tax year beginning in 2007 and 2008 only, in an amount of one thousand dollars for an individual who was previously employed as a public school classroom teacher by a school board in one of
the following parishes impacted by Hurricane Katrina: Jefferson, Orleans, Plaquemines, St. Bernard, and St. Tammany.

(b) In order to qualify for the deduction, the public school classroom teacher shall agree in writing to be employed as a public school classroom teacher for at least three years. The individual shall submit the agreement between the school board and the teacher to the Department of Revenue in order to obtain the deduction. to this Section for the same tax year.