



Historical Note: This RIB has been superseded by RIB 06-018 regarding adjustments to the federal income tax deduction for all casualty losses, not just those caused by Hurricanes Katrina or Rita.

**Revenue Information Bulletin**  
**No. 05-033**  
**December 7, 2005**  
**Individual Income Tax**

**Adjustment to Federal Income Tax Deduction for Hurricanes Katrina or Rita  
Casualty Losses**

Act 23 of the 2005 First Extraordinary Session provides, in part, for an adjustment to the Louisiana federal income tax deduction to account for casualty losses incurred as a result of Hurricanes Katrina or Rita. A taxpayer's federal income tax deduction will be increased by the same amount his federal income tax was decreased on his federal return by claiming the casualty loss deduction as a result of Hurricanes Katrina or Rita in a presidential disaster area. Act 23 is effective for all tax years beginning after December 31, 2004.

In order for a taxpayer to get the benefit of Act 23 and receive a higher federal income tax deduction for Louisiana state tax purposes, the taxpayer will have to recalculate his federal tax liability. The taxpayer will have to compute his federal tax liability as if he hadn't taken a deduction for the casualty losses sustained due to Hurricanes Katrina or Rita.

Act 23 only applies to 2005 and future tax years. If a taxpayer chooses to file an amended 2004 federal income tax return to include casualty losses sustained due to Hurricanes Katrina or Rita, the taxpayer must also amend their 2004 Louisiana individual income tax return and pay any further tax that may be owed.

Interested parties should contact Taxpayer Services at (225) 219-7318.

Cynthia Bridges  
Secretary

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