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**HOUSE FLOOR AMENDMENTS**

2015 Regular Session

Amendments proposed by Representative Stokes to Engrossed House Bill No. 775 by Representative Stokes

1 AMENDMENT NO. 1

2 On page 1, line 3, after "R.S. 47:288.1" and before the comma "," delete "through 288.50"

3 AMENDMENT NO. 2

4 On page 1, line 4, after "tax;" delete "to require reporting;" and insert the following:

5 "to require the Department of Revenue to study combined reporting; to provide for  
6 requirements and limitations; to authorize the promulgation of rules and regulations;"

7 AMENDMENT NO. 3

8 On page 1, line 8, after "R.S. 47:288.1" and before "is" delete "through 288.50,"

9 AMENDMENT NO. 4

10 On page 1, line 10, after "REPORTING" delete "ACT" and insert "PRO FORMA STUDY"

11 AMENDMENT NO. 5

12 On page 1, delete lines 11 through 20 in their entirety, delete pages 2 through 13 in their  
13 entirety and insert the following:

14 "§288.1. Louisiana Combined Reporting Pro Forma Study

15 A. The secretary of the Department of Revenue shall conduct a pro forma  
16 study of the policy and fiscal ramifications of changing the corporate tax filing  
17 system in Louisiana to include a combined method for the reporting of corporate  
18 taxes. Based on the information gathered by the department through the study, the  
19 secretary shall make a report with specific recommendations to the House Ways and  
20 Means Committee and the Senate Revenue and Fiscal Affairs Committee no later  
21 than January 1, 2016, on whether the state would financially benefit from  
22 implementation of a combined reporting method for corporate tax filers.

23 B. No later than August 1, 2015, the secretary of the Department of Revenue  
24 shall issue invitations to all Louisiana corporate income taxpayers with 2013  
25 Louisiana gross receipts in excess of fifty million dollars that are part of a unitary  
26 group with operations in other states. Each invitee shall provide, no later than  
27 November 1, 2015, the following information for tax years 2012 and 2013:

28 (1) The difference in tax owed as a result of filing a combined report  
29 compared to the tax owed under the current filing requirements.

30 (2) The difference in taxes owed as a result of using the single sales factor  
31 apportionment method as compared to the tax owed using the apportionment method  
32 set forth in R.S. 47:287.95.

1           (3) The gross receipts of sales in this state and based on a water's edge  
2           election.

3           (4) Taxable income in the state and based on a water's edge election.

4           C. For purposes of this Section, the following terms shall have the following  
5           meanings unless the context clearly indicates otherwise:

6           (1) "Common ownership" means more than fifty percent of the voting  
7           control of each member of the group is directly or indirectly owned by a common  
8           owner or owners, either corporate or non-corporate, whether or not the owner or  
9           owners are members of the combined group.

10          (2) "Member" means a corporation included in a unitary business.

11          (3) "Unitary business" means activities of a group of two or more  
12          corporations under common ownership that are sufficiently interdependent,  
13          integrated or interrelated through their activities so as to provide mutual benefit and  
14          produce a significant sharing or exchange of value among them or a significant flow  
15          of value between separate parts. The term unitary business shall be construed to the  
16          broadest extent permitted under the United States Constitution.

17          (4) "United States" means the fifty states of the United States, the District  
18          of Columbia, the United States' territories and possessions.

19          D. The secretary of the Department of Revenue may promulgate rules and  
20          regulations in accordance with the Administrative Procedures Act and other guidance  
21          necessary to implement the provisions of this Section."