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HOUSE FLOOR AMENDMENTS

2021 Regular Session

Amendments proposed by Representative Wright to Engrossed House Bill No. 424 by
Representative McFarland

1 AMENDMENT NO. 1

2 On page 1, line 2, after "R.S. 47:293(9)(a)(xx)" delete the remainder of the line in its entirety
3 and insert the following:

4 "and (xxi), 297.16, 297.17, and 6042, relative to income tax incentives; to provide
5 for"

6 AMENDMENT NO. 2

7 On page 1, at the beginning of line 4, after "care;" insert "to provide for a deduction for the
8 private adoption of certain infants;"

9 AMENDMENT NO. 3

10 On page 1, line 5, after "requirements;" delete the remainder of the line in its entirety and
11 insert the following:

12 " to establish an income tax credit for donations to certain foster care organizations;
13 to provide for definitions; to provide for the amount of the credit; to provide for the
14 application for and granting of the credit; to provide for certain requirements; to
15 authorize the promulgation of rules; to provide for applicability; to"

16 AMENDMENT NO. 4

17 On page 1, line 8, after "R.S. 47:293(9)(a)(xx)" and before "are" delete "and 297.16" and
18 insert "and (xxi), 297.16, 297.17, and 6042"

19 AMENDMENT NO. 5

20 On page 1, between lines 19 and 20, insert the following:

21 "(xxi) The deduction for the private adoption of certain infants as provided
22 for in R.S. 47:297.17."

23 AMENDMENT NO. 6

24 On page 2, between lines 18 and 19, insert the following:

25 "§297.17. Tax deduction; private adoption of certain infants

26 A.(1) There shall be allowed a deduction from tax table income for a
27 taxpayer who adopts an infant who is unrelated to the taxpayer and who is less than
28 one year of age through a private agency as defined in Children's Code Article
29 1169(1) or adopts an infant who is unrelated to the taxpayer and who is less than one
30 year of age through an attorney. For purposes of this Section, the age of the infant
31 shall be determined at the time of the adoption placement. The amount of the

1 deduction authorized by this Section shall be equal to five thousand dollars and shall
 2 be applicable in the year the adoption becomes final. The amount of the deduction
 3 authorized by this Section shall not exceed the total taxable income of the taxpayer.

4 (2) The deduction authorized pursuant to the provisions of this Section shall
 5 be in lieu of the dependency deduction authorized in R.S. 47:294.

6 B. The taxpayer shall maintain all records necessary to verify the adoption
 7 and if requested, shall provide the records to the Department of Revenue when filing
 8 the taxpayer's tax return.

9 C. The secretary of the Department of Revenue may promulgate rules in
 10 accordance with the Administrative Procedure Act to implement the provisions of
 11 this Section, including rules related to the submission of documentation when
 12 claiming the deduction.

13 * * *

14 §6042. Credits; qualifying foster care charitable organizations

15 A.(1)(a) There shall be allowed a nonrefundable income tax credit for
 16 donations a Louisiana taxpayer makes during a taxable year to a qualifying foster
 17 care charitable organization. The amount of the credit shall be equal to the actual
 18 amount of the donation used by the foster care organization to provide services to
 19 qualified individuals, or fifty thousand dollars, whichever is less.

20 (b) The total amount of credits granted by the department pursuant to the
 21 provisions of this Section shall not exceed five hundred thousand dollars per calendar
 22 year. The granting of credits shall be on a first-come, first-served basis. If the total
 23 amount of credits claimed in any particular calendar year exceeds the amount of tax
 24 credits authorized for that year, the excess shall be treated as having been applied for
 25 on the first day of the subsequent year. All requests received on the same business
 26 day shall be treated as received at the same time, and if the aggregate amount of the
 27 requests received on a single business day exceeds the total amount of available tax
 28 credits, tax credits shall be approved on a pro rata basis.

29 (c) The credit may be used in addition to any federal tax credit or deduction
 30 earned for the same donation. However, a taxpayer shall not receive any other state
 31 tax credit, exemption, exclusion, deduction, rebate, or any other state tax benefit for
 32 a donation for which the taxpayer has received a tax credit pursuant to this Section.

33 (2) If the tax credit earned pursuant to this Section exceeds the total tax
 34 liability of a taxpayer in the taxable year, the amount of the credit not used as an
 35 offset against the taxpayer's tax liability in the taxable year may be carried forward
 36 as a credit against subsequent income tax liabilities for a period not to exceed five
 37 taxable years.

38 B. An organization that seeks to become a qualifying foster care charitable
 39 organization shall apply to the department and provide the following:

40 (1) A statement, signed by an officer of the organization under penalty of
 41 perjury, that the organization meets all of the criteria provided in Paragraph (F)(4)
 42 of this Section.

43 (2) A copy of the exemption letter from the Internal Revenue Service
 44 verifying the organization is exempt from federal income tax pursuant to Section
 45 501(c)(3) of the Internal Revenue Code.

1 (3) A copy of the organization's operating budget for the prior operating year
2 and the amount of the budget spent on providing services to qualified individuals.

3 (4) A copy of any federal income tax return filed by the organization for the
4 prior year.

5 (5) A copy of the financial statements and detailed schedule of expenses for
6 the organization from the prior year.

7 (6) A schedule detailing how the organization calculated the percentage of
8 its budget spent on providing services to qualified individuals.

9 (7) A statement that the organization intends to continue spending at least
10 seventy-five percent of its total budget on providing services to qualified individuals
11 or intends to continue spending at least seventy-five percent of its funds budgeted for
12 Louisiana on providing services to qualified individuals and that one hundred percent
13 of the donations it receives from Louisiana residents will be spent on providing
14 services to qualified individuals.

15 (8) Any other information required by the department.

16 C.(1) No later than the next January thirty-first following approval by the
17 department and annually thereafter no later than January thirty-first, each foster care
18 organization shall file a report with the department prepared by an independent
19 certified public accountant who is not related to a donor or affiliated with the foster
20 care organization.

21 (2) Each report required pursuant to Paragraph (1) of this Subsection shall
22 contain the following:

23 (a) A certification that the organization continues to meet the requirements
24 of this Section.

25 (b) The name, social security number, address, and Louisiana and federal
26 taxpayer identification numbers of each person who made a donation to the foster
27 care organization during the prior calendar year.

28 (c) The amount of each donation received during the prior calendar year.

29 (d) The amount of each donation utilized during the prior calendar year to
30 provide services to qualified individuals and the services provided.

31 (e) Any other information or documentation required by the department.

32 D.(1) A qualified foster care charitable organization shall issue a receipt to
33 each person from whom the foster care organization receives a donation. The receipt
34 shall indicate the actual amount of the donation that was used by the foster care
35 organization to provide services to qualified individuals. A taxpayer shall provide
36 a copy of the receipt to the department when claiming the credit authorized by this
37 Section.

38 (2) The department shall provide a standardized format for the receipt
39 required pursuant to this Subsection.

40 E. The secretary of the department may promulgate rules in accordance with
41 the provisions of the Administrative Procedure Act to implement the provisions of
42 this Section.

1 F. For purposes of this Section, the following words shall have the following
2 meanings unless the context clearly indicates otherwise:

3 (1) "Department" means the Department of Revenue.

4 (2) "Louisiana taxpayer" or "taxpayer" means a person who is required to file
5 a Louisiana income tax return.

6 (3) "Qualified individual" means a child in a foster care placement program
7 established by the Department of Children and Family Services.

8 (4) "Qualifying foster care charitable organization" or "foster care
9 organization" means an organization that meets all of the following criteria:

10 (a) Is exempt from federal income tax pursuant to Section 501(c)(3) of the
11 Internal Revenue Code.

12 (b) Provides services to at least twenty-five qualified individuals each
13 operating year.

14 (c) Spends at least seventy-five percent of its total budget on providing
15 services to qualified individuals or spends at least seventy-five percent of its funds
16 budgeted for Louisiana on providing services to qualified individuals and the
17 organization certifies to the department that one hundred percent of the donations it
18 receives from Louisiana residents will be spent on providing services to qualified
19 individuals.

20 (d) Is approved by the department after applying as provided in Subsection
21 B of this Section.

22 (5) "Services" means cash assistance, medical care, child care, food,
23 clothing, shelter, job placement, and job-training services or any other assistance
24 reasonably necessary to meet immediate basic needs that are provided to a qualified
25 individual and used in Louisiana."

26 AMENDMENT NO. 7

27 On page 2, at the end of line 20, delete the period "." and insert the following:

28 "and to donations made by taxpayers to qualifying foster care charitable
29 organizations on or after January 1, 2022."