

2025 Regular Session

HOUSE BILL NO. 475

BY REPRESENTATIVE FIRMENT

TAX CREDITS: Increases the maximum amount of insurance premium tax credits for retaliatory taxes paid by certain domestic insurers that may be claimed in a fiscal year and extends the sunset date of the credit

1 AN ACT

2 To amend and reenact R.S. 22:836(B)(introductory paragraph), (6), (7), and (9), relative to
3 insurance premium tax credits; to provide for the maximum amount of credits
4 authorized in a fiscal year for certain domestic insurers; to provide for the payment
5 and administration of the credit; to extend the termination date of the credit; to
6 provide for an effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:836(B)(introductory paragraph), (6), (7), and (9) are hereby
9 amended and reenacted to read as follows:

10 §836. Retaliatory taxes and fees; insurance premium tax credits for retaliatory taxes
11 paid by certain domestic insurers

12 * * *

13 B. A Louisiana domestic insurer that is authorized to write and does write
14 insurance in Louisiana on an admitted basis and in at least one other state on an
15 admitted basis ~~as of July 1, 2023~~, shall be allowed a refundable credit, subject to the
16 limitation set forth in Paragraph (6) of this Subsection. The refundable credit shall
17 offset insurance premiums taxes due on the Annual Premium Tax Return due March
18 first each year.

19 * * *

liability and any credit amount in excess of its premium tax liability shall be refunded to the domestic insurer.

Present law limits the maximum amount of credits that may be claimed by domestic insurers in any fiscal year to \$9M. However, if credits claimed exceed \$9M in any fiscal year, the commissioner shall make refunds on a pro rata basis to eligible domestic insurers based on the proportion of the total amount of retaliatory tax paid by each insurer for the relevant time period.

Proposed law retains present law but increases the maximum amount of credits that may be claimed by domestic insurers in any fiscal year from \$9M to \$25M.

Present law prohibits a credit from being allowed for retaliatory taxes incurred or paid after Dec. 31, 2029.

Proposed law extends the date for which a credit shall be allowed for retaliatory taxes incurred or paid from Dec. 31, 2029, to Dec. 31, 2034.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 22:836(B)(intro. para.), (6), (7), and (9))