DIGEST

SB 28 Engrossed | 2025 Regular Session | Talbot

Proposed law authorizes a nonrefundable credit against income taxes for resident taxpayers who retrofit their residential property with a fortified roof meeting or exceeding the fortified roof standard established by the Insurance Institute for Business and Home Safety.

Proposed law defines the terms "department", "qualified expenses", "qualifying property", and "secretary" for purposes of the tax credit program.

Proposed law provides that the credit is equal to the amount of qualified expenses paid by the resident taxpayer and certified by the Dept. of Insurance, hereinafter "department", not to exceed $10,000 per resident taxpayer.

Proposed law provides that the credit is earned when certified by the department. Further provides that no qualifying property may receive more than one tax credit authorized pursuant to proposed law.

Proposed law limits the amount of credits that may be granted in a fiscal year to $10M. Further provides credits are issued on a first-come, first-serve basis and that if the total amount of credits issued exceeds the amount of credits authorized for tax year, the excess is treated as having been applied for on the first day of the subsequent year.

Proposed law requires that all requests received on the same day are to be treated as received at the same time. Further requires the department to issue credits on a pro rata basis if the amount of requests received on a single business day exceeds the total amount available tax credits.

Proposed law requires that the credit be allowed against the income tax for the taxable period in which the credit is earned. Further provides that if the tax credit allowed exceeds the amount of tax due, that any unused credit may be carried forward against subsequent income tax liability for a period not to exceed three years.

Proposed law requires a resident taxpayer seeking a tax credit to submit an application on a form prescribed by the secretary of the Dept. of Revenue. Further requires the department to review the application and determine eligibility of qualified expenses.

Proposed law requests the department issue a tax credit certification letter if the department determines that a resident taxpayer has qualified expenses eligible for the credit. Further provides that a copy of the tax credit certification letter be sent to the secretary of the Dept. of Revenue.

Proposed law provides for the recovery and recapture of credits by the secretary of the Dept. of Revenue under certain circumstances. Further limits the amount of interest that may be assessed and collected on recovered or recaptured credits.

Proposed law requires the department to promulgate rules for program eligibility and any other matters necessary to carry out the intent of the program.

Proposed law prohibits a taxpayer from receiving a tax credit for any grant amount received under the Louisiana Fortify Homes Program (R.S. 22:1483.1). Further prohibits a taxpayer from receiving any other state tax credit, exemption, exclusion, deduction, or any other tax benefit for which the taxpayer received a credit pursuant to proposed law.

Proposed law prohibits any credits from being earned after December 31, 2031.

Applicable to qualifying expenses paid on or after July 1, 2025.

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

(Adds R.S. 47:6044)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Remove language regarding the purpose of the tax credit program.

2. Prohibit a qualifying property from receiving more than one tax credit.

3. Provide a cap on the total amount of credits that may be granted in a fiscal year of $10M.

4. Provide for the administration of the fiscal year cap.

5. Change the carry forward period from a five-year period to a three-year period.

6. Change how interest is calculated for recaptured credits.

7. Prohibit the stacking of the credit with any other state tax credit, exemption, exclusion, deduction, or any other tax benefit.

8. Make technical changes.