

2025 Regular Session

HOUSE BILL NO. 145

BY REPRESENTATIVE WILDER

TAX/INCOME TAX: Increases the maximum amount of the construction code retrofitting deduction and expands the deduction to cover costs associated with "fortified home" standards compliance

1 AN ACT

2 To amend and reenact R.S. 47:293(2)(a)(i), (b), and (c), relative to individual income tax;
3 to provide for the construction code retrofitting income tax deduction; to provide for
4 the amount of the deduction; to provide for costs eligible for the deduction; to
5 provide for applicability; to provide for effectiveness; and to provide for related
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:293(2)(a)(i), (b), and (c) are hereby amended and reenacted to
9 read as follows:

10 §293. Definitions

11 The following definitions shall apply throughout this Part, unless the context
12 requires otherwise:

13 * * *

14 (2)(a)(i) "Construction code retrofitting deduction" ~~for the purposes of this~~
15 ~~Part~~, means an amount equal to fifty percent of the cost paid or incurred ~~on or after~~
16 ~~January 1, 2007~~, by a taxpayer to voluntarily retrofit an existing residential structure;
17 for which the taxpayer claims the homestead exemption for ad valorem tax purposes,
18 excluding rental property, ~~as provided for in Subparagraph (e) of this Paragraph to~~
19 bring it into compliance with the State Uniform Construction Code or the fortified

Present law prohibits rental property and the value of costs paid from state, municipal, or federal financial incentives from qualifying for the deduction.

Proposed law retains present law but expands the class of costs qualifying for the deduction to include costs associated with bringing qualifying residential structures into compliance with the fortified home standards of the Insurance Institute for Business and Home Safety.

Present law limits the amount of the deduction to 50% of the costs paid or incurred to retrofit a residential structure or \$5,000, whichever is less.

Proposed law retains the 50% limit on the costs paid or incurred but increases the maximum amount of the deduction from \$5,000 to \$10,000 per retrofitted residential structure.

Proposed law applies to taxable periods beginning on or after Jan. 1, 2026.

Effective Jan. 1, 2026.

(Amends R.S. 47:293(2)(a)(i), (b), and (c))