
DIGEST

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HB 26 Original

2016 Second Extraordinary Session

Thibaut

Abstract: Reduces the amount of the income and corporation franchise tax credit for purchasers from "PIE contractors" from 72% of the state sales and use tax paid by the purchaser to 70%.

Present law provides for an income or corporation franchise tax credit for purchasing specialty apparel items from a contractor in a certified Private Sector/Prison Industry Enhancement Program that employs inmates of a La. correctional institution that manufactures the apparel.

Present law allows a tax credit equal to 72% of the sales and use tax paid for the eligible specialty apparel items.

Proposed law reduces the amount of the credit from 72% to 70%.

Proposed law is applicable to any return filed for any taxable year beginning on or after Jan. 1, 2016.

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

(Amends R.S. 47:6018(C))