

RÉSUMÉ DIGEST**ACT 18 (HB 71)****2016 First Extraordinary Session****Barras**

Existing law establishes the enterprise zone program through which businesses may enter into contracts with the Board of Commerce and Industry to receive income tax credits or sales and use tax rebate payments in exchange for the creation of a certain number of jobs that involve employees who meet certain residency and other requirements.

New law limits the amount of the sales and use tax rebate or the investment income tax credit, for projects for which an advance notification is filed on or after April 1, 2016, to \$100,000 per net new employee created.

New law requires that the net new job be counted only once for purposes of the cap on the amount of the benefit.

New law increases the amount of the income tax credit, for projects for which an advance notification form is filed on or after April 1, 2016, from \$2,500 to \$3,500 for either of the following:

- (1) Each net new job created for employees who have been receiving Supplemental Nutrition Assistance Program (SNAP), Women, Infants, and Children (WIC), Medicaid, unemployment benefits, or benefits from a similar public assistance program as determined by the Dept. of Economic Development.
- (2) Each net new employee hired by a participating business located in an enterprise zone.

New law decreases the amount of the income tax credit from \$2,500 to \$1,000 for net new jobs created for employees not receiving these benefits.

New law eliminates accommodation businesses with a North American Industry Classification System (NAICS) Code of 5613 and 721 from program eligibility if the business does not file an advance notification form for its project before April 1, 2016.

New law provides exceptions for certain businesses participating in the La. Quality Jobs Program and the Competitive Projects Payroll Incentive Program.

New law prohibits the Dept. from accepting new project advance notifications on or after July 1, 2017.

Effective upon signature of governor (March 10, 2016).

(Amends R.S. 51:1787(A)(2)(a) and (3) and (B)(3)(c) and (5); Adds R.S. 51:1787(A)(1)(c), (B)(3)(d), (6), and (7), and (K))