

2017 Regular Session

HOUSE BILL NO. 664

BY REPRESENTATIVES HOFFMANN, TERRY BROWN, CHANEY, JACKSON,
LEGER, RICHARD, AND ZERINGUE

TAX/INSURANCE PREMIUM: Provides relative to the insurance premium tax credit

1 AN ACT

2 To amend and reenact R.S. 22:832(C)(6)(introductory paragraph) and to enact R.S.
3 22:832(C)(6)(c), relative to the insurance premium tax credit; to provide criteria for
4 a health maintenance organization to be eligible for a premium tax credit for a
5 qualifying Louisiana investment; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:832(C)(6)(introductory paragraph) is hereby amended and
8 reenacted and R.S. 22:832(C)(6)(c) is hereby enacted to read as follows::

9 §832. Reduction of tax when certain investments are made in Louisiana

10 * * *

11 C. For the purposes of this Part, beginning January 1, 2017, "a qualifying
12 Louisiana investment" is hereby defined as:

13 * * *

14 (6) In addition to the investments provided for in Paragraphs (1) through (5)
15 of this Subsection, for purposes of health maintenance organizations subject to the
16 tax in R.S. 22:842(B), for taxable years beginning on or after January 1, 2017, ~~and~~
17 ~~before January 1, 2019~~, "a qualifying Louisiana investment" is hereby defined as:

18 * * *

- (2) Cash on deposit in a La. bank or a trust company holding such funds in trust, operating in the state with a main office or one or more branches.

Proposed law removes the sunset date of Jan. 1, 2019.

Proposed law adds the following criteria that must be met for a health maintenance organization to qualify for the premium tax credit for a qualifying Louisiana investment:

- (1) Offers fully insured commercial or Medicare Advantage products.
- (2) Is domiciled, licensed, and operating in this state.
- (3) Maintains its primary corporate office and at least seventy percent of its employees in this state.
- (4) Maintains its core business functions in this state.

Effective January 1, 2018.

(Amends R.S. 22:832(C)(6)(intro. para.); Adds R.S. 22:832(C)(6)(c))