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The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by James Benton.

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## CONFERENCE COMMITTEE REPORT DIGEST

SB 172

2017 Regular Session

Morrell

### Keyword and summary of the bill as proposed by the Conference Committee

TAX/TAXATION. Terminates certain tax credits as of January 1, 2019. (gov sig)

#### Report adopts House amendments to:

1. Delete the termination of the offset for insurance companies against tax liabilities based on the amount of premiums paid by the companies during the preceding 12 months from proposed law.
2. Deletes the termination of the tax credit for local inventory taxes paid on January 1, 2022 from the provisions of proposed law.
3. Deletes the termination of the mik producers tax credit from the provisions of the proposed law.

#### Report amends the bill to:

1. Provide that the purchaser of a new vehicle originally equipped to be propelled by an alternative fuel may claim a credit of 10% of the total purchase price of the vehicle or \$2,500, whichever is less.
2. Makes technical changes.

### Digest of the bill as proposed by the Conference Committee

Proposed law sunsets the following income and corporation franchise tax credits beginning January 1, 2020:

- (1) R.S. 25:1226.4 Atchafalaya Trace Heritage Area Development Zone tax credit.
- (2) R.S. 47:34 Corporation tax credit.
- (3) R.S. 47:37 Tax credit for contributions to educational institutions.
- (4) R.S. 47:287.748 Corporation tax credit; re-entrant jobs credit.

- (5) R.S. 47:287.749 Jobs credit.
- (6) R.S. 47:287.752 Credit for employment of first-time nonviolent offenders.
- (7) R.S. 47:287.755 Credit for contributions to educational institutions.
- (8) R.S. 47:297 Reduction to tax for taxpayer, spouse, or dependent who is deaf, blind, mentally incapacitated or has lost the use of one limb.
- (9) R.S. 47:297.2 Reduction to tax due to person maintaining a household where one or more dependents is physically or mentally incapable of caring for themselves.
- (10) R.S. 47:297.9 Credits for certain military service members and dependents for hunting and fishing licenses.
- (11) R.S. 47:6025 Credit for La. Citizens Property Insurance Corp. assessment.

Proposed law sunsets the following income and corporation franchise tax credits beginning January 1, 2022:

- (1) R.S. 47:227 Offset against tax based on insurance premiums.
- (2) R.S. 47:6019 Tax credit; rehabilitation of historic structures.
- (3) R.S. 47:6035 Credit for conversion of vehicles to alternative fuel usage.

Present law provides that the purchaser of a new vehicle originally equipped to be propelled by an alternative fuel may claim the credit either on 36% of the value of the equipment directly related to the alternative fuel or, if the purchaser cannot determine the value of the equipment, 7.2% of the total purchase price of the vehicle or \$1,500, whichever is less.

Proposed law eliminates the 36% credit for the value of the property directly related to the alternative fuel and changes the value of the credit from 7.2% to 10% and changes the vehicle cap from \$1,500 to \$2,500.

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

(Amends R.S. 47:227, as amended by §2 of Acts 2015, No. 125, R.S. 47:297.2, 6019(A)(1)(a); adds R.S. 25:1226.4(D), R.S. 47:34(F), 37(I), 287.748(D), 287.749(E), 287.752(D), 287.755(I), 297(Q), 297.9(D), 6025(E), 6035(D) and (I); repeals R.S. 47:227 as amended by §5 of Acts 2015, No. 125)