

RÉSUMÉ DIGEST

ACT 245 (SB 150)

2017 Regular Session

Chabert

Prior to Act 125 of the 2015 Regular Session, R.S. 47:6036(C)(1)(b) provided for an investor tax credit equal to 100% of the capital costs of a qualifying port project, up to \$2.5 million per project, with a total annual program cap of \$6,250,000 for all projects.

Prior law (R.S. 47:6036(C)(1)(b) as amended by Section 2 of Act 125, 2015 R.S.) provided for an investor tax credit of 72% of the capital costs associated with a qualifying port project, up to \$1.8 million per project, with a total annual program cap of \$4.5 million, for projects approved by the commissioner of administration, the Joint Legislative Committee on the Budget, and the State Bond Commission. Prior law would be effective through June 30, 2018.

New law removes the requirement of prior approval by the State Bond Commission. Otherwise retains prior law.

Prior law (as amended by Section 5 of Act 125, of the 2015 R.S.) would become effective on July 1, 2018, and would restore the port project investor tax credit to an amount equal to 100% of capital costs, restore the per project credit amount and the annual total program amount, and reinstate the requirement for State Bond Commission approval.

New law repeals R.S. 47:6036(C)(1)(b) as amended by Section 5 of Act 125 of the 2015 Regular Session, making permanent the reductions in the investor tax credits and total annual program costs as provided in Section 2 of Act 125 of 2015 R.S., and the elimination of State Bond Commission approval for such tax credits.

Prior law provided for an import-export cargo tax credit of up to \$1.8 million per taxpayer at the rate of \$3.60 per ton of qualified cargo that is approved by the commissioner of administration, the Joint Legislative Committee on the Budget, and the State Bond Commission. New law removes the requirement of prior approval by the State Bond Commission.

Prior law defined "pre-certification tonnage" as the number of tons of qualified cargo owned by the international business entity receiving the credit, imported or exported, and which were moved by way of an oceangoing vessel berthed at public port facilities in this state during the 2013 calendar year.

New law retains this provision but provides that the vessel was berthed at public port facilities in the state during the year prior to the year in which the import-export cargo credit application is submitted.

Prior law terminated both the investor credit and the import-export cargo credit on January 1, 2020. New law extends the termination date of both credits to July 1, 2021.

Prior law required the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs to review the credit to determine if the economic benefit provided by the credit outweighs the loss of revenue realized by the state as a result of awarding the credit. Required the house and senate committees to make their recommendations no later than March 1, 2017, to either continue the credit or to terminate the credit. New law repeals the review and reporting requirement.

Effective upon signature of the governor (June 14, 2017).

(Amends R.S. 47:6036(C)(1)(b) as amended by Sec. 2 of Act 125 of 2015 RS, (G), (I)(1)(intro para), (I)(1)(c) and (2)(a); repeals R.S. 47:6036(C)(1)(b) as amended by Sec. 5 of Act 125 of 2015 RS and 6036(K))