
DIGEST

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HB 16 Original

2020 First Extraordinary Session

Echols

Abstract: Establishes an additional income and franchise tax credit for 30% of eligible costs and expenses incurred during the rehabilitation of a historic structure included on the National Register of Historic Places. Further limits eligible rehabilitation expenses from exceeding \$3.25M and caps the annual amount of credit a taxpayer may claim at \$750,000.

Present law authorizes an income and corporation franchise tax credit for the amount of eligible costs and expenses incurred during the rehabilitation of a historic structure located in a downtown development district or a cultural district. The amount of the credit is 20% of the eligible costs and expenses of the rehabilitation incurred before Jan. 1, 2022, and no taxpayer shall claim more than \$5 million of credit annually for any number of structures rehabilitated within a particular downtown development or cultural district. The credit is effective for taxable years ending prior to Jan. 1, 2022.

Proposed law retains present law but establishes, beginning July 1, 2020, an additional income and franchise tax credit for eligible costs and expenses incurred during the rehabilitation of a historic structure included on the National Register of Historic Places as maintained by the National Park Service. The amount of the credit shall equal 30% of the eligible costs and expenses of rehabilitation incurred on or after July 1, 2020, and before June 30, 2026. Further limits eligible costs and expenses of rehabilitation from exceeding \$3.25M and caps the annual amount of credit a taxpayer may claim pursuant to proposed law at \$750,000.

Effective July 1, 2020.

(Amends R.S. 47:6019(A)(1)(a))