
DIGEST

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HB 690 Original

2021 Regular Session

LaCombe

Abstract: Establishes a corporate income tax deduction not to exceed \$250,000 per year for expenditures incurred in the construction, repair, or renovation of capital infrastructure projects to modernize facilities, to make facilities more energy efficient, or to reduce emissions.

Proposed law establishes a corporate income tax deduction for expenditures incurred in the construction, repair, or renovation of capital infrastructure projects to modernize facilities or movable or immovable equipment, to make facilities or movable or immovable equipment more energy efficient, or to reduce emissions. Further limits the amount of the deduction to the actual amount of expenses incurred by the taxpayer or \$250,000 per year, whichever is less.

Proposed law provides that the deduction is earned each calendar year to the extent the taxpayer verifies in writing that expenditures qualifying for the deduction have been expended during the calendar year for which it is claimed.

Proposed law prohibits the amount of the deduction from reducing the taxpayer's La. taxable income below zero.

Proposed law provides for the recovery and recapture of amounts claimed as a deduction if the secretary of the Dept. of Revenue finds that funds for which a taxpayer received a deduction were not expended on expenditures qualifying for the deduction.

Proposed law authorizes the promulgation of rules in accordance with present law (Administrative Procedure Act) to implement the provisions of proposed law including rules related to the submission of documentation when claiming the deduction.

Proposed law prohibits any deduction from being claimed on a tax return, regardless of the tax year in which the return applies, filed after Dec. 31, 2024.

Applicable for tax years beginning on or after Jan. 1, 2022.

Effective Jan. 1, 2022.

(Adds R.S. 47:287.84)