

2023 Regular Session

SENATE BILL NO. 41

BY SENATOR MIZELL AND REPRESENTATIVE EDMONSTON

TAX/TAXATION. Establishes a tax credit for certain maternal wellness centers. (8/1/23)

1 AN ACT

2 To enact Chapter 2-A of Subtitle VII of Title 47 of the Louisiana Revised Statutes of 1950,

3 to be comprised of R.S. 47:6111 through 6116, relative to tax credits; to establish a

4 tax credit for qualified donations made to an eligible maternal wellness center; to

5 provide for the amount of the credit; to provide for definitions; to provide for a

6 registry of maternal wellness centers; to provide for certain requirements and

7 limitations; to provide for the recapture of credits; to require the Louisiana

8 Department of Health and the Department of Revenue to promulgate rules; to

9 provide for applicability; to provide for an effective date; and to provide for related

10 matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. Chapter 2-A of Subtitle VII of Title 47 of the Louisiana Revised Statutes
13 of 1950, comprised of R.S. 47:6111 through 6116, is hereby enacted to read as follows:

14 **CHAPTER 2-A. MATERNAL WELLNESS CENTER TAX CREDITS**

15 **§6111. Purpose**

16 **The legislature hereby determines that quality pre-natal and post-natal**

17 **care and support ensures healthy outcomes for Louisiana mothers and their**

1 children. Maternal wellness centers assist mothers with essential services such
2 as pre-natal and parenting classes, counseling, medical resources, and assistance
3 with material needs. It is the intent of this Chapter to provide incentives for
4 entities and individuals to donate to eligible maternal wellness centers that
5 improve the quality of life for Louisiana mothers and families.

6 §6112. Definitions

7 For purposes of this Chapter, the following terms shall be defined as
8 follows:

9 (1)(a) "Eligible maternal wellness center" means an organization that is
10 exempt from federal income taxation under Section 501(c)(3) of the Internal
11 Revenue Code and:

12 (i) is located in Louisiana.

13 (ii) is registered with the Louisiana Department of Health pursuant to
14 the provisions of this Chapter.

15 (iii) provides services intended to meet the pre-natal and post-natal needs
16 of mothers and children including pre-natal, infant care, breast feeding, and
17 parenting education classes, counseling, and pregnancy tests administered by
18 a registered nurse.

19 (iv) provides resources including a list of locations where pregnant
20 women can apply for the Medicaid and the Special Supplemental Nutrition
21 Program for Women, Infants, and Children (WIC) and a list of local obstetrics
22 and gynecology doctors that accept Medicaid.

23 (v) provides adoption education and referrals and a comprehensive list
24 of community resources addressing the ancillary needs of women and children.

25 (vi) provides material needs throughout pregnancy and for a minimum
26 of two years after delivery such as infant supplies and clothing, maternity
27 clothing, housing assistance, food, utilities, and transportation.

28 (vii) is affiliated with at least one national organization for pregnancy
29 centers including Heartbeat International, Care Net, or the National Institute

1 of Family and Life Advocates.

2 (b) "Eligible maternal wellness center" shall not include any
3 organization involved in, or associated with counseling for, or referrals to,
4 abortion clinics, providing medical abortion-related procedures, or
5 pro-abortion advertising.

6 (2) "Qualified donation" shall mean a donation made to an eligible
7 maternal wellness center to assist mothers with essential services and material
8 needs.

9 §6113. Tax credits for donations made to eligible maternal wellness centers

10 A. There shall be a credit against any Louisiana income tax for qualified
11 donations made to an eligible maternal wellness center. The credit shall be an
12 amount equal to five percent of the donation. Any credit shall be taken as a
13 credit against the income tax for the taxable year in which the donation is made.
14 The total amount of the credits taken by any taxpayer during any taxable year
15 shall not exceed five thousand dollars.

16 B.(1) The total amount of the tax credits granted by the Department of
17 Revenue pursuant to this Chapter in any calendar year shall not exceed five
18 million dollars.

19 (2) The granting of credits under this Chapter shall be on a first-come,
20 first-served basis, with no more than five percent of the total tax credits
21 available allocated for contributions to a single maternal wellness center, as
22 further provided by rules promulgated by the Department of Revenue.

23 (3) If the total amount of credits applied for in any particular year
24 exceeds the aggregate amount of tax credits allowed for that year, the excess
25 shall be treated as having been applied for on the first day of the subsequent
26 year. If the total amount of credits granted in any fiscal year is less than the
27 amount available to be granted, any residual credit remaining shall be available
28 to be granted in subsequent fiscal years.

29 C. No credit shall be granted pursuant to this Chapter for donations

1 made to eligible maternal wellness centers before January 1, 2024, or after
2 December 31, 2030.

3 §6114. Registry of maternal wellness centers

4 A. The Louisiana Department of Health shall establish and maintain, in
5 accordance with the provisions of this Chapter, a voluntary registry of maternal
6 wellness centers. The purpose of the registry shall be to function as a single
7 database of eligible maternal wellness centers located in Louisiana. The
8 Louisiana Department of Health shall publish and make the registry available
9 to the public on its website.

10 B. The registry shall not include any organization involved in, or
11 associated with counseling for, or referrals to, abortion clinics, providing
12 medical abortion-related procedures, or pro-abortion advertising.

13 C.(1) Any organization seeking to be included in the registry shall
14 provide the Louisiana Department of Health with an affidavit that it meets the
15 following criteria:

16 (a) Verification that the organization is located in Louisiana.

17 (b) Verification that the organization is exempt from federal income
18 taxation under Section 501(c)(3) of the Internal Revenue Code.

19 (c) A statement that the organization meets the definition requirements
20 of an eligible maternal wellness center as provided in R.S. 47:6112.

21 (d) Any other information that the Louisiana Department of Health
22 requires by rule.

23 (2) The affidavit shall be signed by an officer of the organization under
24 penalty of perjury.

25 (3) The organization shall notify the Louisiana Department of Health of
26 any changes that may affect eligibility under this Section.

27 D. The Louisiana Department of Health shall review each affidavit and
28 determine whether the organization meets the criteria to be included in the
29 registry. The Louisiana Department of Health shall send notice to the applicant

1 organization and to the secretary of the Department of Revenue of its
2 determination.

3 E. Registered maternal wellness centers shall submit an annual report
4 to the Louisiana Department of Health no later than February first of each
5 year. The report shall include a comprehensive status report on the maternal
6 wellness center's services, activities, expenditures, and goals and objectives
7 achieved.

8 §6115. Recapture of credits

9 A. If the Department of Revenue finds that a taxpayer has obtained a tax
10 credit in violation of the provisions of this Chapter, including but not limited to
11 fraud or misrepresentation, then the taxpayer's state income tax for such
12 taxable period shall be increased by such amount necessary for the recapture
13 of the tax credit provided for in this Chapter.

14 B. Credits granted to a taxpayer, but later disallowed, may be recovered
15 by the secretary of the Department of Revenue through any collection remedy
16 authorized by and in accordance with R.S. 47:1561.3.

17 §6116. Rules and regulations

18 A.(1) The Department of Revenue shall promulgate rules and regulations
19 necessary for the purpose of administering the tax credit pursuant to this
20 Chapter in accordance with the provisions of the Administrative Procedure Act.

21 (2) Rules promulgated by the Department of Revenue pursuant to this
22 Chapter shall be subject to oversight by the Senate Committee on Revenue and
23 Fiscal Affairs and the House Committee on Ways and Means in accordance
24 with the Administrative Procedure Act.

25 B.(1) The Louisiana Department of Health, in consultation with the
26 Department of Revenue, shall promulgate rules and regulations necessary for
27 the maintenance of the maternal wellness registry including the minimum
28 criteria and requirements for inclusion in the registry in accordance with the
29 provisions of the Administrative Procedure Act. The rules shall also provide for

- 1 **all of the following:**
- 2 **(a) The application process for the maternal wellness center registry.**
- 3 **(b) The maternal wellness center registry criteria.**
- 4 **(2) Rules promulgated by the Louisiana Department of Health pursuant**
- 5 **to the provisions of this Chapter shall be subject to oversight by the Senate**
- 6 **Committee on Health and Welfare and the House Committee on Health and**
- 7 **Welfare in accordance with the Administrative Procedure Act.**

8 Section 2. The provisions of this Act shall apply to income taxable periods beginning

9 on or after January 1, 2024.

The original instrument was prepared by Curry J. Lann. The following digest, which does not constitute a part of the legislative instrument, was prepared by Emily Toler.

DIGEST

SB 41 Engrossed

2023 Regular Session

Mizell

Proposed law authorizes a credit against Louisiana income tax for qualified donations made to an eligible maternal wellness center. The credit shall be an amount equal to 50% of the donation and taken for the taxable year in which the donation is made. The total amount of the credits taken by any taxpayer during any taxable year shall not exceed \$5,000.

Proposed law limits the total amount of the tax credits granted by the Department of Revenue (DOR) in any calendar year to \$5,000,000.

Proposed law grants credits on a first-come, first-served basis, with no more than 5% of the total tax credits available allocated for contributions to a single maternal wellness center.

Proposed law prohibits credits for donations made to eligible maternal wellness centers before January 1, 2024, or after December 31, 2030.

Proposed law requires the Louisiana Department of Health (LDH) to establish and maintain a voluntary registry of maternal wellness centers and make the registry available to the public on its website.

Proposed law prohibits the registry from including any organization involved in, or associated with counseling for, or referrals to, abortion clinics, providing medical abortion-related procedures, or pro-abortion advertising.

Proposed law provides for the criteria for organizations seeking to be included in the registry and requires an affidavit that the organization meets the criteria be signed by an officer of the organization under penalty of perjury.

Proposed law requires LDH to review each affidavit and determine whether the organization meets the criteria to be included in the registry. Requires LDH to send notice to the applicant organization and to the secretary of DOR of its determination.

Proposed law requires registered maternal wellness centers to submit an annual report to LDH no later than February first of each year and include a comprehensive status report on

the maternal wellness center's services, activities, expenditures, and goals and objectives achieved.

Proposed law provides for the recapture of credits if DOR finds that a taxpayer has obtained a tax credit in violation of the provisions of proposed law.

Proposed law requires DOR to promulgate rules for the purpose of administering the tax credit in accordance with the provisions of Administrative Procedure Act (APA).

Proposed law provides that the rules promulgated by DOR are subject to oversight by the Senate Committee on Revenue and Fiscal Affairs and the House Committee on Ways and Means in accordance with the APA.

Proposed law requires LDH, in consultation with DOR, to promulgate rules necessary for the maintenance of the maternal wellness registry in accordance with the provisions of the APA.

Proposed law requires the rules to provide for the application process and the maternal wellness center registry criteria.

Proposed law provides that the rules promulgated by LDH are subject to oversight by the Senate Committee on Health and Welfare and the House Committee on Health and Welfare in accordance with the APA.

Proposed law is applicable to taxable periods on or after January 1, 2024.

Effective August 1, 2023.

(Adds R.S. 47:6111-6116)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Decreases the total tax credits available for allocation to a single maternal wellness center from 50% to 5%.
2. Clarifies provisions for the recapture of credits by the DOR.
3. Applicable to taxable periods on or after January 1, 2024.
4. Makes technical amendments.