

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 authorize the Louisiana
8 Department of Health to promulgate rules; to require the Department of Revenue to
9 promulgate rules; to provide for applicability; to provide for an effective date; and
10 to provide for related 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 and included
14 on the list of registered eligible maternal wellness centers published on the
15 Louisiana Department of Health website pursuant to the provisions of this
16 Chapter.

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

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

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

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

1 (vii) is affiliated with at least one national organization for pregnancy
2 centers including Heartbeat International, Care Net, or the National Institute
3 of Family and Life Advocates.

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

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

11 §6113. Tax credits for donations made to eligible maternal wellness centers

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

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

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

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

1 to be granted in subsequent fiscal years.

2 C. No credit shall be granted pursuant to this Chapter for donations
3 made to eligible maternal wellness centers before January 1, 2025, or after
4 December 31, 2030.

5 §6114. Registration of maternal wellness centers

6 A.(1) The Louisiana Department of Health shall create an electronic or
7 downloadable registration form for eligible maternal wellness centers. An
8 eligible maternal wellness center may voluntarily register with the Louisiana
9 Department of Health by completing and submitting the registration form to
10 the Louisiana Department of Health.

11 (2) The registration form shall be located on the department's website
12 under the Office of Women's Health and Community Health page.

13 B.(1) The Louisiana Department of Health shall formulate a list of
14 registered eligible maternal wellness centers based solely on the registration
15 forms submitted to the Louisiana Department of Health. The purpose of the list
16 shall be to function as a single database of eligible maternal wellness centers
17 located in Louisiana.

18 (2) The Louisiana Department of Health shall publish and make the list
19 available to the public on its website.

20 (3) The list shall not include any organization involved in, or associated
21 with counseling for, or referrals to, abortion clinics, providing medical
22 abortion-related procedures, or pro-abortion advertising.

23 C. The Louisiana Department of Health shall have no regulatory
24 authority over registered eligible maternal wellness centers and shall not be
25 required to verify the eligibility of an eligible maternal wellness center pursuant
26 to this Chapter.

27 D. The Louisiana Department of Health shall post a link on its website
28 that contains an overview of available resources including but not limited to
29 information on Louisiana Medicaid services, the Special Supplemental

1 Nutrition Program for Women, Infants and Children, parish health unit
2 services, and locations of parish health units.

3 E. Registered eligible maternal wellness centers shall submit an annual
4 report to the Louisiana Department of Health and the Department of Revenue
5 no later than February first of each year. The report shall include a
6 comprehensive status report on the maternal wellness center's services,
7 activities, expenditures, and goals and objectives 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 may promulgate rules and
26 regulations necessary for the implementation of this Chapter in accordance with
27 the provisions of the Administrative Procedure Act.

28 (2) Rules promulgated by the Louisiana Department of Health pursuant
29 to the provisions of this Chapter shall be subject to oversight by the Senate

1 **Committee on Health and Welfare and the House Committee on Health and**
 2 **Welfare in accordance with the Administrative Procedure Act.**

3 Section 2. The provisions of this Act shall apply to income taxable periods beginning
 4 on or after January 1, 2025.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Curry J. Lann.

DIGEST

SB 41 Reengrossed

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 20% 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, 2025, or after December 31, 2030.

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

Proposed law requires LDH to create an electronic or downloadable registration form for eligible maternal wellness centers. An eligible maternal wellness center may voluntarily register with LDH by completing and submitting the registration form.

Proposed law requires LDH to formulate a list of registered eligible maternal wellness centers based solely on the registration forms submitted to LDH.

Proposed law prohibits the list 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 that LDH shall have no regulatory authority over registered eligible maternal wellness centers and shall not be required to verify the eligibility of an eligible maternal wellness center.

Proposed law requires LDH to post a link on its website that contains an overview of available resources, including but not limited to, information on Louisiana Medicaid services, the Special Supplemental Nutrition Program for Women, Infants and Children, parish health unit services, and locations of parish health units.

Proposed law requires registered eligible maternal wellness centers to submit an annual report to LDH and DOR no later than Feb. 1 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 authorizes LDH to promulgate rules necessary for the implementation of proposed law in accordance with the provisions of the APA.

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, 2025.

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.

Committee Amendments Proposed by Senate Committee on Finance to the engrossed bill

1. Increases the amount of the credit from 5% to 50% of the donation.
2. Increases the total tax credits available for allocation to a single maternal wellness center from 5% to 20%.
3. Clarifies the definition of an eligible maternal wellness center.
4. Requires LDH to create a registration form for eligible maternal wellness centers and formulate a list of registered eligible maternal wellness centers.
5. Clarifies that LDH has no regulatory authority over registered eligible maternal wellness centers and is not required to verify the eligibility of an eligible maternal wellness center.
6. Requires LDH to post a link on its website that contains an overview of available resources for mothers.
7. Removes provisions providing for registry criteria, requiring affidavits, and

requiring LDH to review and determine whether an organization meets the criteria to be included in the registry.

8. Removes the requirement that LDH adopt rules to provide for the application process and the maternal wellness center registry criteria and instead authorizes LDH to promulgate rules necessary for the implementation of proposed law.
9. Changes the applicability date from on or after January 1, 2024 to on or after January 1, 2025.