

SENATE SUMMARY OF HOUSE AMENDMENTS

SB 6

2023 Regular Session

Allain

KEYWORD AND SUMMARY AS RETURNED TO THE SENATE

TAX/FRANCHISE/CORPORATE. Reduces the rate of the Quality Jobs Program project facility expense rebate when certain conditions are met. (1/1/24)

SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL

1. Provides that advance notifications filed on or after July 1, 2023, but before January 1, 2024, have thirty-six months in which to file an application.
2. Provides that the amount of an employer's sales and use tax rebate or project facility expense rebate for a contract or its renewal is set at the percentage in effect when the advance notification is filed.
3. Makes technical changes.

DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE

DIGEST

SB 6 Reengrossed

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Present law provides for the Quality Jobs Program under which employers that meet certain conditions are eligible to receive payroll rebates on certain payroll expenses as well as rebates of certain costs associated with the materials and equipment needed to complete the project.

Present law authorizes either a rebate of all state sales and use taxes on purchases of materials used in the construction of a building and machinery and equipment used in the enterprise related to the quality jobs contract or a rebate of one and one-half percent of the qualified capital expenditures for the facility designated in the contract.

Present law also authorizes a rebate of local sales and use taxes on purchases of materials used in the construction of a building and machinery and equipment.

Proposed law provides for reductions of the amount of these rebates if the corporate franchise tax is reduced or eliminated as follows:

- (1) If the automatic rate reduction trigger reduces the franchise tax by operation of law, the rebates will be reduced by one half the reduction in the franchise tax rate.
- (2) If the legislature reduces the franchise tax through a legislative act, the rebates will be reduced by one-half the reduction in the franchise tax rate.
- (3) If the franchise tax is repealed, the rebates shall be reduced by fifty percent.

Present law requires that applications be filed no later than twenty-four months after the filing of the advance notification.

Proposed law provides that advance notifications filed on or after July 1, 2023, but before January 1, 2024, may file their advance notification within thirty-six months of the filing of the advance notification.

Proposed law Provides that the amount of an employer's sales and use tax rebate or project facility expense rebate for a contract or its renewal is set at the percentage in effect when the advance notification is filed.

Proposed law applies only to contracts for which advance notifications are filed after December 31, 2023, and will not apply to existing contracts.

Effective January 1, 2024.

(Amends R.S.51:245(D)(3)(c); adds R.S. 51:2455(D)(3)(d) and 2456(B)(2) and (3))

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