

2024 Regular Session

HOUSE BILL NO. 216

BY REPRESENTATIVE JACKSON

TAX/TAX REBATES: Authorizes a rebate to businesses for employment of youth during summer months

1 AN ACT

2 To enact R.S. 47:6029, relative to tax rebates; to authorize rebates to certain employers for
3 wages paid to certain youth employees; to provide for eligibility for the rebates; to
4 specify the amounts of the rebates; to limit the total rebate amount that may be paid
5 to an employer annually; to limit the overall total of rebates paid annually by the
6 state; to provide for administration of the rebate program by the Department of
7 Revenue; to require the department to promulgate rules for administration of the
8 rebate program; to provide for recovery of rebates in certain circumstances; to
9 specify the source of funding for the rebates; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 47:6029 is hereby enacted to read as follows:

12 §6029. Rebates; wages paid to certain youth employees

13 A.(1) There shall be allowed a rebate for wages paid by a qualifying
14 employer to an eligible youth as those parties are defined in Subsection B of this
15 Section. The amount of the rebate shall be as follows:

16 (a) Four hundred dollars for each eligible youth who does not reside in a
17 low-income census tract and is employed by the qualifying employer in a part-time
18 position.

19 (b) Six hundred dollars for each eligible youth who resides in a low-income
20 census tract and is employed by the qualifying employer in a part-time position.

1 (c) Eight hundred dollars for each eligible youth who does not reside in a
2 low-income census tract and is employed by the qualifying employer in a full-time
3 position.

4 (d) One thousand two hundred dollars for each eligible youth who resides
5 in a low-income census tract and is employed by the qualifying employer in a
6 full-time position.

7 (2) For purposes of determining the amount of the rebate in accordance with
8 Paragraph (1) of this Subsection, if an eligible youth works in both a full-time
9 position and a part-time position in the course of his employment with a qualifying
10 employer, then he shall be classified in accordance with the following requirements:

11 (a) He shall be deemed as employed in a full-time position if the duration of
12 his full-time employment is equal to or exceeds that of his part-time employment.

13 (b) He shall be deemed as employed in a part-time position if the duration
14 of his part-time employment exceeds that of his full-time employment.

15 (3) The maximum total rebate amount granted to a qualifying employer in
16 any calendar year shall be as follows:

17 (a) For a qualifying employer with less than two hundred fifty employees,
18 two thousand four hundred dollars.

19 (b) For a qualifying employer with at least two hundred fifty employees but
20 less than five hundred employees, four thousand eight hundred dollars.

21 (c) For a qualifying employer with five hundred employees or more, twelve
22 thousand dollars.

23 (4)(a) The overall total of rebates granted pursuant to the provisions of this
24 Section shall not exceed three million dollars per calendar year.

25 (b) The granting of rebates authorized by this Section shall be on a
26 first-come, first-served basis. If the total amount of rebates approved in a particular
27 calendar year exceeds the total rebate amount authorized for that year, the
28 department shall treat the excess as having been applied for on the first day of the
29 subsequent year. The department shall treat all rebate applications received on the

1 same business day as received at the same time. If the aggregate amount of rebates
2 applied for on a single business day exceeds the total rebate amount available, the
3 department shall approve those rebates on a pro rata basis.

4 B. For purposes of this Section, the following terms have the meanings
5 ascribed to them in this Subsection:

6 (1) "Department" means the Department of Revenue.

7 (2) "Eligible youth" means an individual who meets all of the following
8 qualifications:

9 (a) He is a Louisiana resident on his date of hire.

10 (b) He has attained the age of sixteen but not yet attained the age of
11 twenty-four as of his date of hire.

12 (c) He is unemployed immediately prior to being hired by a qualifying
13 employer.

14 (d) He works at least twenty hours per week with a qualifying employer for
15 at least six consecutive weeks between May fifteenth and August thirty-first.

16 (e) During the course of his employment with a qualifying employer, he
17 participates in or registers for occupational skills training with either of the
18 following:

19 (i) A youth employment program offered through the Louisiana Workforce
20 Investment Council or an American Job Center.

21 (ii) A local, regional, national, or international nonprofit organization that
22 assists individuals in finding employment and provides job training programs and
23 services for youth and adults.

24 (f) He meets at least one of the following criteria:

25 (i) He was enrolled in a secondary school in this state in the semester prior
26 to his summer employment with a qualifying employer and had a grade point
27 average for that semester of at least 2.00 on a 4.00 scale.

1 (ii) He is at least eighteen years old, is no longer in school, and does not have
2 a high school diploma, HiSET or GED credential, or high school equivalency
3 diploma.

4 (3) "Full-time position" and "full-time employment" mean a position or
5 employment, as applicable, in which a person works at least thirty-two hours per
6 week.

7 (4) "Low-income census tract" means any census tract located wholly or
8 partly within an enterprise zone as defined in R.S. 51:1783.

9 (5) "Part-time position" and "part-time employment" mean a position or
10 employment, as applicable, in which a person works at least twenty hours per week
11 but less than thirty-two hours per week.

12 (6) "Qualifying employer" means a business that meets all of the following
13 qualifications:

14 (a) It is a sole proprietorship, partnership, corporation, association, company,
15 firm, organization, or other person or entity that files a Louisiana income tax return.

16 (b) It participated in the Incumbent Worker Training Program of the
17 Louisiana Workforce Commission in the calendar year in which it employed an
18 eligible youth.

19 C.(1) The department shall process applications for the rebate authorized in
20 this Section. A qualifying employer shall apply for a rebate electronically using the
21 form and in the manner prescribed by the department. A qualifying employer who
22 seeks a rebate authorized in this Section shall submit to the secretary of the
23 department all such documentation as the secretary may require by rule for claiming
24 the rebate. The secretary of the department shall promulgate in accordance with the
25 Administrative Procedure Act all such rules as are necessary to implement the
26 provisions of this Section, including rules providing for the form and procedure for
27 claiming a rebate.

1 (2) On or before January thirty-first annually, the Louisiana Workforce
2 Commission shall provide to the department all of the following, in electronic
3 format, for the prior calendar year:

4 (a) A list of all businesses that participated in the Incumbent Worker
5 Training Program of the Louisiana Workforce Commission.

6 (b) A list of all individuals who participated in or registered for occupational
7 skills training with a youth employment program offered through the Louisiana
8 Workforce Investment Council or an American Job Center.

9 D.(1) The first year in which a business may qualify for a rebate authorized
10 by this Section, and in which rebates may be paid, is calendar year 2025. The
11 department shall begin accepting applications for rebates authorized by this Section
12 on September 1, 2025.

13 (2) The department shall not accept any application for a rebate authorized
14 by this Section after October 31, 2029, and shall not remit payment of any rebate
15 authorized by this Section after December 31, 2029.

16 E. No taxpayer may receive any other state tax rebate, or any state tax credit,
17 exemption, exclusion, or deduction, or other state tax benefit, for employment of an
18 eligible youth, as defined in Subsection B of this Section, for which the taxpayer
19 received a rebate in accordance with this Section.

20 F. Rebates previously paid to a taxpayer as authorized by this Section, but
21 later disallowed, may be recovered by the secretary of the department through any
22 collection remedy authorized in R.S. 47:1561.2.

23 G. Notwithstanding any provision of law to the contrary, the secretary of the
24 department shall make the rebates authorized in this Section from current collections
25 of the taxes imposed by Chapter 1 of Subtitle II of this Title.

26 Section 2. The secretary of the Department of Revenue shall initiate the
27 promulgation of all rules required by the provisions of Section 1 of this Act prior to
28 November 1, 2024, through publication of a notice of intent in accordance with the
29 provisions of R.S. 49:961.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 216 Engrossed

2024 Regular Session

Jackson

Abstract: Authorizes tax rebates for certain employers for wages paid to youth employees during summer employment.

Proposed law authorizes a tax rebate for wages paid by a qualifying employer to an eligible youth.

Proposed law defines "eligible youth" as an individual who meets all of the following qualifications:

- (1) He is a La. resident on his date of hire.
- (2) He has attained the age of 16 but not yet attained the age of 24 as of his date of hire.
- (3) He is unemployed immediately prior to being hired by a qualifying employer.
- (4) He works at least 20 hours per week with a qualifying employer for at least six consecutive weeks between May 15 and Aug. 31.
- (5) During the course of his employment with a qualifying employer, he participates in or registers for occupational skills training with either of the following:
 - (a) A youth employment program offered through the La. Workforce Investment Council or an American Job Center.
 - (b) A local, regional, national, or international nonprofit organization that assists individuals in finding employment and provides job training programs and services for youth and adults.
- (6) He was enrolled in a secondary school in La. in the semester prior to his summer employment with a qualifying employer and had a grade point average for that semester of at least 2.00 on a 4.00 scale; or he is at least 18 years old, is no longer in school, and does not have a high school diploma, HiSET or GED credential, or high school equivalency diploma.

Proposed law defines "qualifying employer" as a business that meets all of the following qualifications:

- (1) It is a sole proprietorship, partnership, corporation, association, company, firm, organization, or other person or entity that files a La. income tax return.
- (2) It participated in the Incumbent Worker Training Program of the La. Workforce Commission in the calendar year in which it employed an eligible youth.

Proposed law defines "full-time position", "full-time employment", "part-time position", "part-time employment", and "low-income census tract" for purposes of proposed law.

Proposed law provides that the amount of the rebate shall be:

- (1) \$400 for each eligible youth who does not reside in a low-income census tract and is employed by the qualifying employer in a part-time position.
- (2) \$600 for each eligible youth who resides in a low-income census tract and is employed by the qualifying employer in a part-time position.
- (3) \$800 for each eligible youth who does not reside in a low-income census tract and is employed by the qualifying employer in a full-time position.
- (4) \$1,200 for each eligible youth who resides in a low-income census tract and is employed by the qualifying employer in a full-time position.

Proposed law sets the following limits on total rebate amounts that may be granted to qualifying employers in any calendar year:

- (1) \$2,400 for a qualifying employer with less than 250 employees.
- (2) \$4,800 for a qualifying employer with at least 250 employees but less than 500 employees.
- (3) \$12,000 for a qualifying employer with 500 employees or more.

Proposed law limits to \$3,000,000 the overall total of rebates that the state may grant annually pursuant to proposed law. Provides that rebates shall be granted on a first-come, first served basis.

Proposed law requires that the rebate program be administered by the Dept. of Revenue, referred to hereafter as the "department". Requires the department to promulgate all such administrative rules as are necessary to implement proposed law, including rules for the form and procedure for claiming a rebate.

Proposed law requires that on or before Jan. 31 annually, the La. Workforce Commission shall provide to the department all of the following, in electronic format, for the prior calendar year:

- (1) A list of all businesses that participated in the Incumbent Worker Training Program of the commission.
- (2) A list of all individuals who participated in or registered for occupational skills training with a youth employment program offered through the La. Workforce Investment Council or an American Job Center.

Proposed law provides that the first year in which a business may qualify for a rebate authorized by proposed law, and in which rebates may be paid, is calendar year 2025. Requires the department to begin accepting applications for rebates on Sept. 1, 2025, and prohibits the department from accepting any rebate application after Oct. 31, 2029. Prohibits the department from paying any rebate authorized by proposed law after Dec. 31, 2029.

Proposed law stipulates that no taxpayer may receive any other state tax rebate, or any state tax credit, exemption, exclusion, or deduction, or other state tax benefit for employment of an eligible youth for which the taxpayer received a rebate in accordance with proposed law.

Proposed law provides that rebates previously paid to a taxpayer in accordance with proposed law, but later disallowed, may be recovered by the secretary of the department through any collection remedy authorized in present law.

Proposed law requires the department to pay the rebates authorized by proposed law from current collections of taxes imposed pursuant to present law.

Proposed law requires the secretary of the department to initiate the promulgation of all rules required by proposed law through the notice of intent process provided in present law prior to Nov. 1, 2024.

(Adds R.S. 47:6029)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Reduce the limit on the overall total of rebates that the state may grant annually pursuant to proposed law from \$5,000,000 to \$3,000,000.
2. Specify that among the conditions a person must satisfy in order to be deemed an "eligible youth" pursuant to proposed law, the person's residency status and age are those as of his date of hire.
3. Revise proposed law referring to a period of employment during the summer to specify that the period shall be between May 15 and Aug. 31.
4. Revise the definition of "low-income census tract" for purposes of proposed law to provide that the term means any census tract located wholly or partly within an enterprise zone as defined in present law (R.S. 51:1783).
5. Revise proposed law relative to claiming of rebates to provide instead for applying for rebates electronically.
6. Require that on or before Jan. 31 annually, the La. Workforce Commission shall provide to the Dept. of Revenue all of the following, in electronic format, for the prior calendar year:
 - (a) A list of all businesses that participated in the Incumbent Worker Training Program of the commission.
 - (b) A list of all individuals who participated in or registered for occupational skills training with a youth employment program offered through the La. Workforce Investment Council or an American Job Center.
7. Delete proposed law providing that no taxpayer may receive any other incentive for employment of an eligible youth for which the taxpayer received a rebate in accordance with proposed law. Provide instead that no taxpayer may receive any other state tax rebate, or any state tax credit, exemption, exclusion, or deduction, or other state tax benefit for employment of an eligible youth for which the taxpayer received a rebate in accordance with proposed law.
8. Make technical changes.