

SENATE COMMITTEE AMENDMENTS

2024 Third Extraordinary Session

Amendments proposed by Senate Committee on Revenue and Fiscal Affairs to Reengrossed House Bill No. 1 by Representative Emerson

1 AMENDMENT NO. 1

2 On page 1, line 2, after "R.S. 47:32(A)" and before "44.1(A)" delete "32.1,"

3 AMENDMENT NO. 24 On page 1, line 3, after "4302(B)," delete the remainder of the line and delete line 4 in its
5 entirety and insert "6006(A), (B)(1)(introductory paragraph), (2), and (4), (D), and (E),
6 6007(J)(1)(b)(i), (c), and (2)(a), 6019(A)(1)(e), 6020(H), and"7 AMENDMENT NO. 3

8 On page 1, line 6, after "3204(M)," insert "6007(J)(1)(d), 6015(M),"

9 AMENDMENT NO. 4

10 On page 1, line 7, after "R.S. 47:32(B)" and before "79," insert "32.1,"

11 AMENDMENT NO. 5

12 On page 1, line 8, after "297.21(A)(2)" insert "6006(F), (G), and (H),"

13 AMENDMENT NO. 614 On page 1, line 19, after "liability;" and before "to repeal" insert "to provide relative to the
15 motion picture production tax credit; to provide relative to the research and development tax
16 credit; to provide relative to the tax credit for rehabilitation of historic structures; to provide
17 for credit caps;"18 AMENDMENT NO. 719 On page 2, line 2, after "net capital gains;" and before "to repeal" insert "to repeal the
20 individual income tax rate reduction trigger;"21 AMENDMENT NO. 8

22 On page 2, line 8, after R.S. 47:32(A)" and before "44.1(A)" delete "32.1,"

23 AMENDMENT NO. 924 On page 2, line 9, after "4302(B)," delete the remainder of the line and delete line 10 in its
25 entirety and insert "6006(A), (B)(1)(introductory paragraph), (2), and (4), (D), and (E),
26 6007(J)(1)(b)(i), (c) and(2)(a), 6019(A)(1)(e), 6020(H),and 6023(I) are hereby"27 AMENDMENT NO. 10

28 On page 2, at the beginning of line 12, after "3204(M)," insert "6007(J)(1)(d), 6015(M)"

29 AMENDMENT NO. 1130 On page 2, delete lines 24 through 29 in their entirety, delete pages 3 and 4 in their entirety,
31 and on page 5, delete lines 1 through 3 in their entirety

1 AMENDMENT NO. 12

2 On page 8, line 6, after "Single Individual" insert "and Married-Separate"

3 AMENDMENT NO. 13

4 On page 8, delete line 12 and insert:

5 "c. ~~Married-Separate~~ ~~—————~~ ~~\$4500.00~~"

6 AMENDMENT NO. 14

7 On page 14, between lines 18 and 19 insert the following:

8 "§6006. Tax credits for local inventory taxes paid

9 A.(1) There shall be allowed a credit against ~~any~~ Louisiana individual income
10 ~~or corporation franchise~~ tax for ad valorem taxes paid to political subdivisions on
11 inventory held by manufacturers, distributors, and retailers.

12 (2) There shall be allowed a credit against ~~any~~ Louisiana individual income
13 ~~or corporation franchise~~ tax for ad valorem taxes paid to political subdivisions on
14 natural gas held, used, or consumed in providing natural gas storage services or
15 operating natural gas storage facilities.

16 (3) No credit shall be allowed for taxpayers taxed as a C-corporation for
17 federal income tax purposes for taxable periods beginning on or after July 1, 2026.
18 However, any such taxpayer may carry forward any remaining credits for an
19 additional ten years from the date that the credits would have expired under the
20 provisions of this Section. This additional carry forward period shall not apply to
21 any credits for which the carry forward period expired prior to January 1, 2025.

22 B.(1) ~~Credit for taxes paid by corporations shall be applied to state corporate~~
23 ~~income and corporation franchise taxes.~~ Credit for taxes paid by unincorporated
24 persons and pass-through entities shall be applied to state ~~personal~~ individual income
25 taxes. The secretary shall make a refund to the taxpayer in the amount to which he
26 is entitled from the current collections of the taxes collected pursuant to ~~Chapters~~
27 Chapter 1 and 5 of Subtitle II of this Title. If the amount of the credit authorized
28 pursuant to Subsection A of this Section exceeds the amount of tax liability for the
29 tax year, the following amounts of the excess credit shall either be refundable or may
30 be carried forward as a credit against subsequent Louisiana individual income ~~or~~
31 ~~corporation franchise~~ tax liability for a period not to exceed ten years, as follows:

32 * * *

33 (2) Each taxpayer allowed a credit under this Section shall claim the credit
34 on its separately filed individual income ~~or corporate franchise~~ tax return; ~~however,~~
35 ~~for purposes of the application of the limitations on refundability of excess credit~~
36 ~~provided for in Subparagraphs (1)(a) through (c) of this Subsection, all taxpayers~~
37 ~~included in one consolidated federal income tax return filed under the Internal~~
38 ~~Revenue Code shall be treated as a single taxpayer.~~

39 * * *

40 (4) Notwithstanding any provision in this Section to the contrary, for a
41 manufacturer, as defined in Subparagraph (C)(3)(b) of this Section, if the amount of
42 the credit authorized pursuant to Subsection A of this Section exceeds the amount
43 of tax liability for the tax year, the excess credit shall not be refundable and may only
44 be carried forward as a credit against subsequent Louisiana individual income ~~or~~
45 ~~corporation franchise~~ tax liability for a period not to exceed ten years and shall not
46 be refundable.

47 * * *

48 D. The credit provided in this Section shall be allowed as follows:

49 (1) ~~For inventory taxes paid to political subdivisions on or after July 1, 1992,~~
50 ~~and before June 30, 1993, the credit shall be twenty percent of such taxes paid.~~

51 (2) ~~For inventory taxes paid to political subdivisions on or after July 1, 1993,~~
52 ~~and before June 30, 1994, the credit shall be forty percent of such taxes paid.~~

53 (3) ~~For inventory taxes paid to political subdivisions on or after July 1, 1994,~~
54 ~~and before June 30, 1995, the credit shall be sixty percent of such taxes paid.~~

1 ~~(4) For inventory taxes paid to political subdivisions on or after July 1, 1995,~~
2 ~~and before June 30, 1996, the credit shall be eighty percent of such taxes paid.~~

3 ~~(5) For for one hundred percent of inventory taxes paid to political~~
4 ~~subdivisions on or after July 1, 1996, the credit shall be one hundred percent of such~~
5 ~~taxes paid.~~

6 ~~E. Commencing no later than January 31, 2016, the House Committee on~~
7 ~~Ways and Means and the Senate Committee on Revenue and Fiscal Affairs shall~~
8 ~~review the credit authorized pursuant to the provisions of this Section to determine~~
9 ~~if the economic benefit provided by such credit outweighs the loss of revenue~~
10 ~~realized by the state as a result of awarding such credit. The House and Senate~~
11 ~~committees shall make a specific recommendation no later than March 1, 2017, to~~
12 ~~either continue the credit or to terminate the credit.~~

13 ~~F. At any time after a finding of overvaluation or misclassification of~~
14 ~~inventory for the purposes of this credit by audit or on appeal by the Board of Tax~~
15 ~~Appeals or court that last reviews the matter, the secretary of the Department of~~
16 ~~Revenue may intervene in any proceeding related to the valuation or classification~~
17 ~~of property as inventory for which a credit will be claimed pursuant to this Section.~~

18 ~~G. Taxpayers that pay ad valorem taxes for the 2020 tax year that are eligible~~
19 ~~for the credit provided by this Section but are paid after December 31, 2020, may~~
20 ~~elect to treat these taxes as having been paid on December 31, 2020, for purposes of~~
21 ~~this credit, provided that the payments are made to the local tax collector on or~~
22 ~~before April 15, 2021. Taxpayers that make this election shall not also claim these~~
23 ~~taxes as having been paid in 2021 for purposes of claiming this credit for the 2021~~
24 ~~tax year.~~

25 ~~H.(1) Notwithstanding the provisions of Subparagraphs (B)(1)(b) and~~
26 ~~(B)(3)(c) of this Section, for ad valorem taxes on inventory paid for tax year 2020,~~
27 ~~taxpayers whose ad valorem taxes eligible for the credit authorized pursuant to this~~
28 ~~Section paid to all political subdivisions in the taxable year was less than or equal to~~
29 ~~one million dollars shall be refunded all of the excess credit.~~

30 ~~(2) The provisions of this Subsection shall apply only to taxpayers that~~
31 ~~employed a minimum of one hundred full-time employees at each location in the~~
32 ~~state for whom withholding tax was remitted to the Department of Revenue for at~~
33 ~~least one month within each of the first three quarters of calendar year 2020.~~

34 ~~(3) The provisions of this Subsection shall not apply to manufacturers as~~
35 ~~defined in Subparagraph (C)(3)(b) of this Section."~~

36 AMENDMENT NO. 15

37 On page 14, delete lines 21 and 22 and insert the following:

38 "J. Credit caps, structured pay outs, and project size limitations.

39 (1) Department of Economic Development program issuance cap.

40 * * *

41 (b) * * *

42 (i) If For tax credits granted in a final certification letter prior to July 1, 2024,
43 if the total amount of credits granted to QECs in any fiscal year is less than the QEC
44 cap, any residual amount of unused credits shall carry forward for use in subsequent
45 years and may be granted in addition to the QEC cap for each year.

46 (c) For applications for state-certified productions and qualified
47 entertainment companies submitted on or after July 1, 2023, but prior to July 1, 2025,
48 the total amount of all tax credits granted in a final certification letter by the
49 department in any fiscal year shall not exceed one hundred fifty million dollars. If
50 the total amount of credits applied for in any particular year exceeds the aggregate
51 amount of tax credits allowed for that year, the excess shall be treated as having been
52 applied for on the first day of the subsequent year.

53 (d) For applications for state-certified productions and qualified
54 entertainment companies submitted on or after July 1, 2025, the total amount of all
55 tax credits granted in a final certification letter by the department in any fiscal year
56 shall not exceed one hundred twenty-five million dollars. If the total amount of
57 credits applied for in any particular year exceeds the aggregate amount of tax credits

1 allowed for that year, the excess shall be treated as having been applied for on the
 2 first day of the subsequent year.

3 (2) Department of Revenue taxpayer claim cap.

4 (a)(i) Beginning July 1, 2017 through June 30, 2025, claims against state
 5 income tax allowed on returns for tax credits or transfers of such tax credits,
 6 including legacy credits, to the Department of Revenue as provided for in Paragraph
 7 (C)(4) of this Section shall be limited to an aggregate total of one hundred eighty
 8 million dollars each fiscal year. ~~If~~ For claims allowed on returns for tax credits or
 9 transfers of such tax credits to the Department of Revenue on or before June 30,
 10 2024, if less than one hundred eighty million dollars of such tax credits and transfers
 11 are allowed in a fiscal year, the remaining amount, plus any amounts remaining from
 12 previous fiscal years, shall be added to the one hundred eighty million dollar limit
 13 of subsequent fiscal years until that amount of tax credits or tax credit transfers to the
 14 Department of Revenue are claimed and allowed.

15 (ii) Beginning July 1, 2025, claims against state income tax allowed on
 16 returns for tax credits or transfers of such tax credits to the Department of Revenue
 17 as provided for in Paragraph (C)(4) of this Section shall be limited to an aggregate
 18 total of one hundred twenty-five million dollars each fiscal year."

19 AMENDMENT NO. 16

20 On page 14, delete lines 26 and 27 and on page 15, delete lines 1 and 2 and insert the
 21 following:

22 "M.(1) Beginning July 1, 2025, claims against state income tax allowed on
 23 returns for tax credits as provided for in this Section shall be limited to an aggregate
 24 total of twelve million dollars each fiscal year.

25 (2) Claims for tax credits or transfers of tax credits to the Department of
 26 Revenue shall be allowed on a first-come, first-served basis. Any taxpayer whose
 27 claim for such tax credits is disallowed because the fiscal year cap has been reached
 28 may use the tax credits against state income tax due in an original return filed in the
 29 next fiscal year, and his claim shall have priority over other claims filed after the
 30 date of his original claim."

31 AMENDMENT NO. 17

32 On page 15, delete lines 5 through 20 and insert the following:

33 "A.(1) * * *

34 (e)(i) For State of Louisiana Commercial Rehabilitation Tax Credit Part 2
 35 applications received by the Department of Culture, Recreation and Tourism on or
 36 after January 1, 2021, but prior to January 1, 2025, the maximum aggregate total of
 37 tax credits that may be reserved by all taxpayers pursuant to the provisions of this
 38 Section shall not exceed one hundred twenty-five million dollars annually. ~~If~~ For tax
 39 credit reservations issued prior to January 1, 2024, if the amount of tax credit
 40 reservations issued in a calendar year is less than one hundred twenty-five million
 41 dollars, the excess reservation amount shall be available for issuance in any
 42 subsequent calendar year. The Department of Culture, Recreation and Tourism shall
 43 establish by rule the method of reserving available tax credits including but not
 44 limited to a first-come, first-served system or any other method that the Department
 45 of Culture, Recreation and Tourism determines to be beneficial to the program. Rules
 46 promulgated pursuant to the provisions of this Subparagraph shall be subject to
 47 oversight by the House Committee on Ways and Means and the Senate Committee
 48 on Revenue and Fiscal Affairs. The Department of Revenue and the Department of
 49 Culture, Recreation and Tourism shall make reasonable efforts to post a listing of
 50 estimated credit amounts remaining under the annual cap on their websites.

51 (ii) For State of Louisiana Commercial Rehabilitation Tax Credit Part 2
 52 applications received by the Department of Culture, Recreation and Tourism on or
 53 after July 1, 2025, the maximum aggregate total of tax credits that may be reserved
 54 by all taxpayers pursuant to the provisions of this Section shall not exceed
 55 eighty-five million dollars annually.

1 (iii) The Department of Culture, Recreation and Tourism shall establish by
2 rule the method of reserving available tax credits including, but not limited to a
3 first-come, first-served system or any other method that the Department of Culture,
4 Recreation and Tourism determines to be beneficial to the program. Rules
5 promulgated pursuant to the provisions of this Subparagraph shall be subject to
6 oversight by the House Committee on Ways and Means and the Senate Committee
7 on Revenue and Fiscal Affairs. The Department of Revenue and the Department of
8 Culture, Recreation and Tourism shall make reasonable efforts to post a listing of
9 estimated credit amounts remaining under the annual cap on their websites."

10 AMENDMENT NO. 18

11 On page 15, delete lines 27 and 28, and on page 16, delete lines 1 through 10

12 AMENDMENT NO. 19

13 On page 17, line 8, after "R.S. 47:32(B)," and before "79," insert "32.1,"

14 AMENDMENT NO. 20

15 On page 17, line 9, after "297.21(A)(2)" insert "6006(F), (G), and (H),"

16 AMENDMENT NO. 21

17 On page 17, delete lines 12 through 16 in their entirety and insert the following:

18 "Section 5. This Act shall become effective on January 1, 2025."