

## HOUSE SUMMARY OF SENATE AMENDMENTS

HB 10

2024 Third Extraordinary Session

Wright

TAX: Provides for the rate of the state sales and use tax and for exemptions, exclusions, credits, and rebates claimed against sales and use taxes; and provides for a flat rate of income tax for individuals, estates, and trusts, increases the standard deduction, and modifies or repeals certain income tax deductions and credits (Items #5, 6, and 8)

## Synopsis of Senate Amendments

1. Increases the rate of the state sales tax levied in R.S. 47:321.1 from 0.40% to 0.55% beginning Jan. 1, 2025, through Dec. 31, 2029, thereby bringing the total of state sales taxes to 5%. Beginning on Jan.1, 2030, the state rate will decrease from 5% to 4.75%.
2. Reinstates present law relative to vendor's compensation but reduces the aggregate maximum amount a dealer may retain for collecting and remitting state sales and use taxes from \$1,500 per month to \$750 per month.
3. Adds prohibition for local governments to levy a sales and use tax on telecommunications services not in effect on July 1, 1990. Proposed law levies an additional 5% state sales tax on all telecommunications services, cable television services, direct-to-home satellite services, video programming services, and satellite digital audio radio services in this state in lieu of any sales or use tax that would otherwise be levied and collected by local governments. Proposed law requires DOR to collect and administer this tax and to retain a collection fee, not to exceed 1% of the collections, for cost to collect the tax.
4. Limits the applicability of the consolidated exemption for medical devices and prescriptions established in R.S. 47:305.2 to state sales taxes but authorizes local governments to enact exemptions.
5. Add provisions regarding the sourcing of certain transactions for purposes of sales taxes levied by political subdivisions.
6. Changes the definition of MM&E for purposes of qualifying for the state sales tax exemption from tangible personal property that is *capitalized* for federal income tax purposes to tangible personal property that is *eligible for depreciation* for federal income tax purposes.
7. Adds an exemption to consolidated exemption for intergovernmental transactions in R.S. 47:305.7 for any municipal corporation, parish, sewerage, or water district that enters into a contract with a private nonprofit company to construct or operate a sewerage or wastewater treatment facility.
8. Expands proposed law to incorporate provisions relative to income tax for individuals, estates, and trusts.
9. Repeals the graduated schedule of individual income tax rates (1.85%, 3.50%, 4.25%) and brackets provided in present law and replaces the rate structure with a flat 3% individual income tax rate.
10. Increases the personal exemption for individual taxpayers to \$12,500 for single, individual and married, separate filers. Also increases the amount of the personal exemption for married, joint filers, qualified surviving spouses, and heads of household to 200% of the single filer exemption. Further requires that these exemption amounts be adjusted for inflation annually beginning Jan. 1, 2026.

11. Repeals various income tax deductions and credits.
12. Repeals the individual income tax automatic rate reduction provided for in present law.
13. Maintains the inventory tax credit for individuals and pass-through entities but terminates the credit for taxpayers that file as C-corporations beginning on July, 1, 2026. Further eliminates eligibility of C-corporation filers from receiving excess credit amounts as refunds beginning Jan.1 , 2025.
14. Decreases the annual cap for the issuance of motion picture production tax credits by the Dept. of Economic Development from \$150M to \$125M and decreases the annual cap for the claiming of motion picture production tax credits on tax returns from \$180M to \$125M. Further prohibits the rollover of any unused cap to the next year for tax credits granted in a final certification letter after July 1, 2025.
15. Limits the annual amount of research and development tax credits that may be issued to \$12M.
16. Decreases the reservation cap for Application Part II applications on the rehabilitation of historic structures tax credit from \$125M per year to \$85M per year.
17. Removes the June 30, 2025, termination date for issuance of digital media tax credits from proposed law.
18. Deletes proposed law making its effectiveness contingent upon the effectiveness of HB No. 1 of this 2024 3rd E.S.
19. Provides that proposed law shall become effective upon signature of the governor or lapse of time for gubernatorial action.

### **Digest of Bill as Finally Passed by Senate**

Present law imposes state sales and use taxes on the sale, use, lease, or rental of tangible personal property pursuant to the following levies in the following amounts:

- R.S. 47:302 - 2%
- R.S. 47:321 - 1%
- R.S. 47:321.1 - .45%
- R.S. 47:331 - .97%
- R.S. 51:1286 - .03%

Present law terminates the imposition of the .45% state sales tax levied pursuant to R.S. 47:321.1 on July 1, 2025.

Proposed law retains present law as it relates to the 3% state sales tax levied pursuant to R.S. 47:302 and 321. Proposed law repeals expiration of the .45% state sales tax levy that was set to terminate on July 1, 2025, thereby making the .45% levy permanent, but beginning Jan. 1, 2025, the amount of the levy will increase from .40% to 1% until Dec. 31. 2029, and beginning Jan. 1, 2030, and thereafter, the amount of the levy will decrease to 4.75%.

Proposed law repeals the .03% state sales tax levied pursuant to R.S. 51:1286 in favor of increasing the amount of the state sales tax levied in R.S. 47:331 from .97% to 1% and provides that .03% of the avails of that levy shall be allocated to the La. Tourism Promotion District to be used for assisting the state in the promotion of tourism.

Present law provides for a variety of exemptions and exclusions applicable to state sales and

use taxes, including an exemption for nonresidential uses of steam, certain water, electric power or energy, natural gas, and certain energy sources (R.S. 47:305(D)(1)(b), (c), (d), (g), and (h), hereinafter "business utilities"). Notwithstanding the general exclusions and exemptions in present law, each levy of sales and use taxes in present law includes or references an exclusive list of exclusions and exemptions that apply during the period beginning July 1, 2018, through June 30, 2025. Present law exempts business utilities from 2.45% of the state's 4.45% sales and use tax during this period.

Proposed law changes present law by making suspension of the 2% sales tax exemption for business utilities permanent thereby exempting business utilities from 3% of the state's 5% sales and use taxes. Proposed law includes purchases of electric power and natural gas by paper or wood products manufacturing facilities in the category of utilities subject to 2% of the state tax levied on business utilities.

Present law authorizes dealers who collect sales and use taxes on behalf of the state and locals to deduct and retain 1.05% of the total amount of taxes due for the purpose of compensating the dealer for accounting for and remitting the tax. The aggregate maximum monthly amount a dealer may retain as compensation for collecting and remitting state taxes is limited to \$1,500. Further authorizes municipalities to pay compensation to dealers in an amount designated by the governing body.

Proposed law retains present law but reduces the aggregate maximum monthly amount a dealer may retain from collections from \$1,500 to \$750.

#### **Retained Sales Tax Exclusions, Exemptions, Rebates, and Credits**

Present law provides for a variety of exemptions and exclusions applicable to state sales and use taxes. Further provides for various rebates, refunds, and also provides for alternate reporting methods.

Proposed law retains the following exclusions and exemptions:

- (1) Food for home consumption (R.S. 47:305(D)(1)(n) through (r) and Art. VII, § 2.2 of the Const.)
- (2) Natural gas, electricity, and water used for residential purposes (Art. VII, §2.2 of the Const.)
- (3) Prescription drugs for state sales taxes (Art. VII, §2.2 of the Const.)
- (4) Gasoline and other motor fuels subject to the state excise tax on fuel (Art. VII, §27 of the Const.)
- (5) Purchases by Pari-Mutual Horse Racetracks (R.S. 4:168)
- (6) Purchases by Off-Track Wagering Facilities (R.S. 4:227)
- (7) Credit Unions (R.S. 6:662)
- (8) Any transaction by a nonprofit electric cooperative that is exempt from tax (R.S. 12:425)
- (9) Purchases by La. Insurance Guaranty Association (R.S. 22:2065)
- (10) Purchases by Public Trust Cooperatives (R.S. 38:2212.4)
- (11) Sales of tangible personal property and services at certain public facilities (R.S. 39:467 and 468)
- (12) Isolated or occasional sales of tangible personal property by a person not engaged

- in such business (R.S. 47:301(1) and (10)(c)(ii)(bb))
- (13) Installation charges on tangible personal property (R.S. 47:301(3)(a))
  - (14) Manufacturer's rebates on a new motor vehicle (R.S. 47:301(3)(e) and (13)(b))
  - (15) "Sales or Cost Price" of Refinery Gas (R.S. 47:301(3)(f) and(13)(d))
  - (16) The cost price for the printing of a news publication (R.S. 47:301(3)(h))
  - (17) Leases or rentals of railroad rolling stock (R.S. 47:301(4)(k)), rail rolling stock sold or leased in La. (R.S. 47:305.50(E)(1)), and parts or services used in the fabrication, modification, or repair of rail rolling stock (R.S. 47:305.50(E)(2))
  - (18) Sales of room rentals by a homeless shelter (R.S. 47:301(6)(c))
  - (19) Rentals or leases of certain oilfield property for re-lease or re-rental (R.S. 47:301(7)(b))
  - (20) Leases or rentals by a short-term equipment rental dealer for the purpose of re-lease or re-rental (R.S. 47:301(7)(m))
  - (21) Purchases by a regionally accredited independent educational institution (R.S. 47:301(8)(b))
  - (22) Purchases of certain bibles, songbooks, or literature by certain religious institutions for instructional classes (R.S. 47:301(8)(d))
  - (23) Purchases by a nonprofit entity that sells donated goods (R.S. 47:301(8)(f))
  - (24) Tangible personal property for resale (R.S. 47:301(10)(a)(i))
  - (25) Sales of food by a youth-serving organization chartered by the Congress of the U.S. (R.S. 47:301(10)(h))
  - (26) Tangible personal property sold or donated to a food bank (R.S. 47:301(10)(j) and (18)(a)(i))
  - (27) Sales or purchases of fire-fighting equipment by a volunteer fire department (R.S. 47:301(10)(o))
  - (28) Donation of toys (R.S. 47:301(10)(aa)(i) and (18)(m))
  - (29) An article traded in on the purchase of tangible personal property (R.S. 47:301(13)(a))
  - (30) Sales, (R.S. 47:301(14)(b)(i)), but only of admissions to an athletic and entertainment event held for or by an elementary or secondary school and membership fees or dues of a nonprofit, civic association
  - (31) The exclusion for surface preparation, painting, and coating fixed or rotary wing aircraft and certified transport category aircraft registered outside of this state (R.S. 47:301(14)(g)(iv))
  - (32) Funeral directing services (R.S. 47:301(14)(j))
  - (33) Stocks, bonds, notes, and other obligations or securities (R.S. 47:301(16)(b)(i))
  - (34) Sales of platinum, gold, and silver bullion, that is valued solely upon its precious metal content, whether in coin or ingot form (R.S. 47:301(16)(b)(ii)(aa))

- (35) Sales of certain numismatic coins (R.S. 47:301(16)(b)(ii)(bb) and (cc))
- (36) Work product of certain professionals (R.S. 47:301(16)(e))
- (37) Factory built homes (R.S. 47:301(16)(g))
- (38) Other constructions permanently attached to the ground (R.S. 47:301(16)(l))
- (39) Purchases of certain custom computer software (R.S. 47:301(22))
- (40) Any advertising service rendered by an advertising business (R.S. 47:302(D))
- (41) Helicopters leased for use in the extraction, production, or exploration for oil, gas, or other minerals (R.S. 47:302.1)
- (42) Use of a motor vehicle in La. by a member of the active duty military (R.S. 47:303(A)(3)(a) and 305.48)
- (43) Credit for sales and use taxes paid to another state on tangible personal property imported in La. (R.S. 47:303(A)(3)(a))
- (44) Sales of gasoline (not subject to motor fuels tax) (R.S. 47:305(D)(1)(a))
- (45) Boats, vessels, and other water craft as demonstrators (R.S. 47:303(D)(1), R.S. 47:305(D)(1)(i) & (H))
- (46) Sale and purchase of electricity (R.S. 47:305(D)(1)(d)) for use in production activity subject to the payment of state severance tax on production from a stripper well (R.S. 47:633(7)(c)(i) and (ii)(aa) and (bb))
- (47) Trucks, automobiles, aircraft, and boats, vessels, or other water craft withdrawn from stock or kept in dealer inventory and used as demonstrators (R.S. 47:305(D)(1)(i))
- (48) Sales or use of a meal by an educational institution, medical facility, mental institution, and an occasional meal furnished by an educational, religious, or medical organization (R.S. 47:305(D)(2))
- (49) Transactions in interstate commerce and tangible personal property imported into this state, or produced or manufactured in this state, for export (R.S. 47:305(E))
- (50) Repairs and materials used on drilling rigs and equipment used exclusively for exploration of development of minerals (R.S. 47:305(I))
- (51) Ships, vessels, barges, and related supplies (R.S. 47:305.1)
- (52) Rentals of Motion Picture Film to Commercial Theaters (R.S. 47:305.9)
- (53) Property purchased for exclusive use outside the state (R.S. 47:305.10)
- (54) Sales of admissions, parking fees, and sales of tangible personal property at events sponsored by domestic, civic, educational, historical, charitable, fraternal, or religious nonprofit organizations (R.S. 47:305.14(A)(1))
- (55) Sales and purchases by certain organizations that provide training for blind persons (R.S. 47:305.15(B))
- (56) Receipts from coin-operated washing and drying machines in commercial laundromats (R.S. 47:305.17)
- (57) Leases or rentals of vessels for use in offshore mineral production or the provision of services to those engaged in mineral production (R.S. 47:305.19)

- (58) Purchases of fishing vessels, supplies, fuels, lubricants, and repairs for the vessels of licensed commercial fishermen (R.S. 47:305.20)
- (59) Sales or purchases by sheltered workshops or supported employment providers (R.S. 39:1604.4 and R.S. 47:305.38)
- (60) Sales of butane, propane, or other liquified petroleum gases for private, residential consumption (R.S. 47:305.39)
- (61) Freight cars, piggyback trailers, and rail rolling stock, and railroad ties (R.S. 47:305.45 and 305.50(F))
- (62) A truck and trailer if used at least 80% of the time in interstate commerce (R.S. 47:305.50(A))
- (63) Sickle cell disease organizations (R.S. 47:305.53)
- (64) Sales or purchases by a council on aging (R.S. 47:305.66)
- (65) Purchases of breastfeeding items (R.S. 47:305.67)
- (66) Motor vehicles used by those with orthopedic disabilities (R.S. 47:305.72)
- (67) Fiber-Optic cable equipment rebate (R.S. 47:305.73)
- (68) Purchases of diapers and feminine hygiene products (R.S. 47:305.75)
- (69) Qualifying events providing La. heritage, culture, crafts, art, food, and sponsored by a domestic nonprofit organization (R.S. 47:301(10)(hh) and 14(k), 305.14(A)(1)(b))
- (70) Purchases or leases of motor vehicles for re-lease or re-rent by qualified lessors (R.S. 47:305.36)
- (71) Eligible purchases made during the annual Second Amendment Weekend Sales Tax Holiday (R.S. 47:305.62)
- (72) Vendor's compensation (R.S. 47:306(A)(3)(a))

### **Medical Devices, Equipment, and Drugs**

Proposed law repeals various individual exemptions and exclusions related to purchases of medical devices, equipment, and drugs in favor of enacting a consolidated exemption (R.S. 47:305.2) applicable to state sales and use taxes related to medical devices, equipment, and drugs. Proposed law *authorizes, but does not require*, local governments to enact any of the exemptions included in proposed law. The exemptions and exclusions repealed in proposed law but included in the consolidated exemption established in R.S. 47:305.2 are as follows:

- (1) Purchase, lease, and sale of services by free hospitals (R.S. 47:301(7)(e), (10)(p), and (18)(c))
- (2) Sale, lease, or rental of tangible personal property under Medicare (R.S. 47:301(7)(i) and (10)(u))
- (3) Sales of human-tissue transplants (R.S. 47:301(10)(d))
- (4) Sales of marijuana recommended for therapeutic use (R.S. 47:301(10)(ii))
- (5) Materials used in the collection of blood (R.S. 47:301(16)(j))
- (6) Drugs prescribed by a physician or dentist (R.S. 47:305(D)(1)(j))

- (7) Orthotic devices, including prescription eyeglasses and contact lenses, wheelchairs and lifts, and prosthetic devices as prescribed by a physician, optometrist, or licensed chiropractor for personal use (R.S. 47:305(D)(1)(k)(i) and(ii))
- (8) Sales of ostomy, colostomy, and ileostomy devices and equipment (R.S. 47:305(D)(1)(l))
- (9) Sales of medical devices used exclusively by the patient in the medical treatment of various diseases or administered exclusively to the patient by a physician, nurse, or other health care provider or facility, in the treatment of diseases under the supervision of and prescribed by a physician (R.S. 47:305(D)(1)(s))
- (10) Sales of orthotic devices, prosthetic devices, prostheses and restorative materials utilized by or prescribed by a dentist (R.S. 47:305(D)(1)(t))
- (11) Adaptive driving equipment and motor vehicle modification (R.S. 47:305(D)(1)(u))
- (12) Procurement and administration of cancer and related chemotherapy prescription drugs used exclusively by the patient (R.S. 47:305(D)(4)(b))
- (13) Sale of prescription drugs under the pharmaceutical vendor program for Titles XIX and XXI of the Social Security Act administered by the La. Dept. of Health (R.S. 47:305(D)(5)(a))
- (14) Purchase or rental of kidney dialysis machines, parts, materials, and supplies for home use under a physician's prescription (R.S. 47:305(G))
- (15) Sales of insulin (R.S. 47:305.2)
- (16) Pharmaceutical samples distributed in La. (R.S. 47:305.47)
- (17) Purchase, lease, or repair of certain capital equipment and computer software of qualifying radiation therapy treatment centers (R.S. 47:305.64)
- (18) Procurement and administration of prescription drugs administered exclusively in certain medical clinics (R.S. 47:305.76)
- (19) Purchases and leases of durable medical equipment paid by or under provisions of Medicare (R.S. 47:315.3)

#### **Agricultural Inputs and other Agricultural Tangible Personal Property**

Proposed law repeals various individual exemptions and exclusions related to farming and agriculture in favor of enacting a consolidated exemption (R.S. 47:305.3) applicable to both state and local sales taxes related to agricultural inputs, agricultural machinery and equipment, and other agricultural tangible personal property, provided that the purchase is directly related to the business activities of the purchaser. The exemptions and exclusions repealed in proposed law but included in the consolidated exemption established in R.S. 47:305.3 as follows:

- (1) Sales of raw agricultural commodities (R.S. 47:301(10)(c)(i)(aa)(II) and (e), and 305(A)(3) and (4)(b)(i) and (iii))
- (2) Pharmaceuticals administered to livestock for agricultural purposes (R.S. 47:301(16)(f))
- (3) Sales of farm products direct from the farm (R.S. 47:305(A)(1))
- (4) Livestock sold at market and racehorses claimed at races in La. (R.S. 47:305(A)(2))

- (5) Feed and feed additives for animals held for business purposes (R.S. 47:305(A)(4)(a))
- (6) Materials used in the production or harvesting of crawfish (R.S. 47:305(A)(5)(a))
- (7) Bait and feed used in the production or harvesting of crawfish (R.S. 47:305(A)(5)(b))
- (8) Materials used in the production or harvesting of catfish (R.S. 47:305(A)(6))
- (9) Farm products produced and used by farmers (R.S. 47:305(B))
- (10) Sales of fertilizers and containers to farmers (R.S. 47:305(D)(1)(f))
- (11) Sales of seeds for planting crops (R.S. 47:305.3 and 301(10)(e))
- (12) Sales of utilities to commercial farmers for on-farm storage (R.S. 47:305.4)
- (13) Sales of pesticides for agricultural purposes (R.S. 47:305.8)
- (14) Purchases of feed, seed, and fertilizer by student farmers (R.S. 47:305.24)
- (15) First \$50,000 of the sales price of certain rubber tire and irrigation farm equipment (R.S. 47:305.25(A)(1-3) and 337.10(B))

Proposed law increases the amount of the exemption for farm equipment from the first \$50,000 of the sales price to the first \$150,000 of the sales price.

- (16) First \$50,000 of the sales price of new farm equipment used in poultry production (R.S. 47:301(13)(c))

Proposed law retains the present law limitation on the amount of the exemption for purchases of new farm equipment used in poultry production at the first \$50,000 of the sales price.

- (17) Sale of polyroll tubing (R.S. 47:305.25(A)(6) and 305.63)
- (18) Sales of certain fuels used for farm purposes (R.S. 47:305.37)
- (19) Sales of agricultural fencing materials to commercial farmers (R.S. 47:305.80)

### **Manufacturing Machinery and Equipment**

Proposed law repeals various exclusions related to manufacturing machinery and equipment (MM&E) in favor of enacting a consolidated exemption (R.S. 47:305.5) applicable to state sales taxes related to purchases of MM&E for various industries including utilities, wood manufacturers and loggers, and news publications. Proposed law authorizes, but does not require local taxing authorities to exempt MM&E from their tax bases. The exclusions repealed in proposed law but included in the consolidated exemption established in R.S. 47:305.5 are as follows:

- (1) Purchases of MM&E (R.S. 47:301(3)(i), (13)(k), (28)(a), and 337.10(I))
- (2) Purchases of certain machinery and equipment used to produce a news publication (R.S. 47:301(3)(i)(ii)(aa)(I)(eee))
- (3) Purchases of consumables by paper and wood manufacturers and loggers (R.S. 47:301(3)(k))
- (4) Electricity for chlor-alkali manufacturing process (R.S. 47:301(10)(c)(ii)(aa))



- (5) Purchases of machinery and equipment by certain utilities (R.S. 47:301(16)(o)(i) and (ii))

### **Schools and Educational Materials**

Proposed law repeals various individual exclusions related to sales of educational materials to and by elementary and secondary schools and purchases of food items for school lunch or breakfast programs by certain schools in favor of enacting a consolidated exemption (R.S. 47:305.6) applicable to both state and local sales taxes related to sales of educational materials and purchases of food items for school lunch or breakfast programs. The exclusions repealed in proposed law but included in the consolidated exemption established in R.S. 47:305.6 are as follows:

- (1) Sales to and by certain elementary and second schools for educational materials and equipment used for classroom instruction (R.S. 47:301(7)(f),(10)(q) and(18)(e))
- (2) Purchases of food items for school lunch or breakfast programs by nonpublic elementary or secondary schools (R.S. 47:301(10)(dd))
- (3) Donations to certain schools (R.S. 47:301(18)(a)(i))

Present law provides for an exemption for the sale of admissions to athletic and entertainment events held for or by parochial and private elementary and secondary schools.

Proposed law retains present law.

### **Intergovernmental and Governmental Transactions**

Proposed law repeals various individual exclusions related to purchases and sales by local and state governments as well as the La. Military Dept. in favor of enacting a consolidated exclusion (R.S. 47:305.7) applicable to both state and local sales taxes related to these sales and purchases. The exclusions repealed in proposed law but included in the consolidated exemption established in R.S. 47:305.7 are as follows:

- (1) Transactions related to the construction or overhaul of U.S. Navy vessels (R.S. 47:301(7)(c))
- (2) Purchases by state and local governments (R.S. 47:301(8)(c))
- (3) Sales to the U.S. government and its agencies (R.S. 47:301(10)(g))
- (4) Sales of tangible personal property by the La. Military Dept. (R.S. 47:301(10)(ff))
- (5) Sales or purchases of equipment used in firefighting by bona fide volunteer and public fire departments (R.S. 47:301(10)(o))
- (6) Sales by thrift shops and military installations (R.S. 47:305.14(A)(4))
- (7) Purchases made under the Supplemental Nutrition Assistance Program (SNAP) through WIC Program vouchers (R.S. 47:305.46)
- (8) Any municipal corporation, parish, sewerage, or water district that enters into a contract with a private nonprofit company to construct or operate a sewerage or wastewater treatment facility shall be exempt from the same sales tax as the municipal corporation, parish, sewerage, or water district.

### **Sourcing: Classification of Certain Sales**

Proposed law establishes rules, for purposes of collecting or remitting sales or use taxes to

the appropriate taxing jurisdictions, on sales of tangible personal property, digital products, and services, for determining the proper jurisdiction to which the sale is sourced. The provisions of proposed law do not affect the imposition or computation of sales or use tax on leases or rentals based on a lump-sum or accelerated basis, or on the acquisition of property for lease. Proposed law includes exceptions to the general sourcing rules for vehicles and telecommunications services.

Proposed law establishes rules for the collection of sales tax on the sales price of bundled transactions if any product included in the bundled transaction would be taxable if sold separately. Proposed law defines a "bundled transaction" as the retail sale of two or more products where the products are otherwise distinct and identifiable and the products are sold for one nonitemized price. In order to show whether a retail sale consisted of one or more distinct and identifiable products and whether the products were sold for one nonitemized price, a seller shall maintain copies of invoices, service agreements, contracts, catalogs, price lists, rate cards, and other sales-related documents given to, or made available to, the purchaser.

Proposed law excepts the following transactions from the requirements of proposed law:

- (1) The sale of any products in which the sales price varies or is negotiable based on the selection by the purchaser of the products included in the transaction.
- (2) Retail sales of tangible personal property or a digital product and a service where the true object of the transaction is the service and the tangible personal property or digital product is essential to the use of the service, and is provided exclusively in connection with the service.
- (3) Retail sales of multiple services where one service is essential to the use or receipt of a second service and the first service is provided exclusively in connection with the second service, and the true object of the transaction is the second nontaxable service. Further provides that the true object exception only applies to transactions that include a service and shall not apply to transactions that only include tangible personal property or digital products.
- (4) Transactions that include taxable products and nontaxable products and the sales price of the taxable products is de minimis. Sellers shall use the full term of a service contract to determine if the taxable products are de minimis. The term "de minimis" means the sales price of the taxable products is 10% or less of the total sales price of the bundled products.
- (5) Retail sales of exempt tangible personal property and taxable tangible personal property where the transaction includes food and food ingredients, drugs, durable medical equipment, mobility enhancing equipment, over-the-counter drugs, prosthetic devices, or medical supplies and the sales price of the taxable tangible personal property is fifty percent or less of the total sales price of the bundled products.

#### **Repealed Sales Tax Exclusions, Exemptions, Rebates, and Credits**

Present law provides for a variety of exemptions and exclusions applicable to state sales and use taxes. Further provides for various rebates and refunds, and also provides for alternate reporting methods.

Proposed law repeals the following exclusions, exemptions, rebates, and alternative reporting methods:

- (1) Separately stated labor charges on property repaired out-of-state (R.S. 47:301(3)(b))
- (2) Installation of oil field board roads as provided in R.S. 47:301(3)(c)
- (3) Certain interchangeable components; optional method to determine

- (R.S. 47:301(3)(d))
- (4) Manufacturer rebates paid directly to a dealer (R.S. 47:301(3)(g) and (13)(e))
  - (5) Sales of room rentals by a camp or retreat facility owned by a nonprofit organization (R.S. 47:301(6)(b))
  - (6) Rental or purchase of airplanes or airplane equipment and parts by La. domiciled commuter airlines (R.S. 47:301(7)(d) and 301(10)(k))
  - (7) Vehicle rentals to a warranty customer (R.S. 47:301(7)(h))
  - (8) Property used in the manufacture, production, or extraction of unblended diesel (R.S. 47:301(7)(j), (10)(y), and (18)(k))
  - (9) Leases or rentals of a crane and related equipment with an operator (R.S. 47:301(7)(k))
  - (10) Leases or rentals of pallets used in packaging products produced by a manufacturer (R.S. 47:301(7)(l))
  - (11) Purchases by the Society of the Little Sisters of the Poor (R.S. 47:301(8)(e))
  - (12) Purchases of property for lease or rental (R.S. 47:301(10)(a)(iii) and (18)(a)(iii))
  - (13) Sales through a coin-operated vending machine (R.S. 47:301(10)(b)(i))
  - (14) Purchases of school buses that are new or less than five years old (R.S. 47:301(10)(i))
  - (15) Pollution control devices and systems (R.S. 47:301(10)(l))
  - (16) Pelletized paper waste used in a permitted boiler (R.S. 47:301(10)(n))
  - (17) Sales of telephone directories by advertising companies (R.S. 47:301(10)(t) and (18)(h))
  - (18) Sales of cellular telephones and electronic accessories (R.S. 47:301(10)(v), (13)(g) and (h), and (18)(i))
  - (19) Purchases of butane, propane, and liquefied petroleum gas by residential consumers (R.S. 47:301(10)(x))
  - (20) Purchases by a private postsecondary academic degree-granting institution (R.S. 47:301(10)(cc) and (18)(n))
  - (21) Purchases of storm shutter devices (R.S. 47:301(10)(ee) and (18)(o))
  - (22) Sales of anthropogenic carbon dioxide used in qualified tertiary recovery projects (R.S. 47:301(10)(gg) and (18)(p))
  - (23) Specialty Mardi Gras items purchased or sold by certain organizations (R.S. 47:301(13)(l) and 305.40)
  - (24) Admissions charges to athletic or entertainment events of colleges and universities (R.S. 47:301(14)(b)(i)(aa))
  - (25) Admissions to museums (R.S. 47:301(14)(b)(ii))
  - (26) Admissions to places of amusement at camp and retreat facilities (R.S. 47:301(14)(b)(iv))

- (27) Labor, materials, services, and supplies used for the repair, renovation, or conversion of drilling rig machinery and equipment which become component parts of a drilling rig used exclusively for exploration or development of minerals (R.S. 47:301(14)(g)(iii))
- (28) Certain geophysical survey information and data analyses (R.S. 47:301(16)(b)(iii))
- (29) Vehicle repairs subsequent to warranty lapse (R.S. 47:301(16)(c))
- (30) Purchases of certain custom computer software (R.S. 47:301(16)(h), and (23))
- (31) Purchases by motor vehicle manufacturers (R.S.47:301(16)(m))
- (32) Purchases by glass manufacturers (R.S. 47:301(16)(m)(i))
- (33) Purchases of machinery and equipment by owners of certain radio stations (R.S. 47:301(16)(n))
- (34) Sales of newspapers (R.S. 47:301(16)(p))
- (35) Use tax on residue or byproducts consumed by the producer (R.S. 47:301(18)(d)(ii))
- (36) Miscellaneous telecommunications services (R.S. 47:301.1(B)(2)(a), (b), (c), (e) and (f))
- (37) Telecommunications services through coin-operated telephones (R.S. 47:301.1(B)(2)(d))
- (38) Interstate telecommunications services purchased by defined call centers (R.S. 47:301.1(D))
- (39) Purchases of off-road vehicles by certain buyers domiciled in another state (R.S.47:303(E)(1), 304(A), and 305.56)
- (40) Cash-basis sales tax reporting and remitting for health and fitness club membership contracts (R.S. 47:303(F)). Repealed in proposed law applicable to the local sales tax base.
- (41) Sales of admission to entertainment events by a Little Theater organization (R.S. 47:305.6)
- (42) Sales of admission to musical performances sponsored by a nonprofit organization (R.S. 47:305.7)
- (43) Sales of admissions to entertainment events sponsored by domestic nonprofit charitable, religious, and educational organizations (R.S. 47:305.13)
- (44) Cable television installation and repair services (R.S. 47:305.16)
- (45) Sales of admissions and parking fees at fairs and festivals sponsored by nonprofit organizations (R.S. 47:305.18)
- (46) New vehicles furnished by a dealer for driver-education programs (R.S. 47:305.26)
- (47) Sales of gasohol (R.S. 47:305.28)
- (48) Construction materials and operating supplies for certain nonprofit retirement centers (R.S. 47:305.33)
- (49) Purchases and sales by Ducks Unlimited and Bass Life (R.S. 47:305.41)

- (50) Tickets to dance, drama, or performing arts presentations by certain nonprofit organizations (R.S. 47:305.42)
- (51) Purchases by and sales by certain nonprofit organizations dedicated to the conservation of fish and migratory waterfowl (R.S. 47:305.43)
- (52) Raw materials used in the printing process (R.S. 47:305.44)
- (53) Catalogs distributed in La. (R.S. 47:305.49)
- (54) Certain contract carrier buses used 80% in interstate commerce (R.S. 47:305.50(B))
- (55) Annual La. sales tax holiday (R.S. 47:305.54)
- (56) Sales of original one-of-a-kind works of art sold in certain locations (R.S. 47:305.57)
- (57) Hurricane preparedness La. sales tax holiday (R.S. 47:305.58)
- (58) Beginning October 1, 2021, sales of construction materials for charitable construction (R.S. 47:305.59)
- (59) Purchase of certain water conservation equipment for use in the Sparta Groundwater Conservation District (R.S. 47:305.61)
- (60) Purchases of construction materials by Hands on New Orleans and Rebuilding Together New Orleans Covenant Partners (R.S. 47:305.65)
- (61) Purchases by the Fore!Kids Foundation (R.S. 47:305.68)
- (62) Sales of construction materials to the Make it Right Foundation (R.S. 47:305.70)
- (63) Sales of construction materials to the St. Bernard Project, Inc. (R.S. 47:305.71)
- (64) Purchases of tangible personal property pursuant to the sales tax holiday for purchases relating to certain declared emergencies (R.S. 47:305.74)
- (65) Hurricane impacted agricultural fencing materials rebate (R.S. 47:305.77)
- (66) State sales tax paid on property destroyed in a natural disaster (R.S. 47:315.1)
- (67) Sales tax collected by qualified charitable institutions (R.S. 47:315.5)
- (68) Antique airplanes held by private collectors and not used for commercial purposes (R.S. 47:6001)
- (69) Sale of certain antique motor vehicles (R.S. 47:6040)
- (70) Refunds for purchases of tangible personal property by international travelers as part of the La. Tax Free Shopping Program (R.S. 51:1301 et seq.)

Present law authorizes, but does not mandate that local governments exempt certain purchases of tangible personal property from sales and use taxes levied by local political subdivisions. Proposed law makes various changes to present law to require rather than authorize purchases of certain tangible personal property be exempt from sales and use tax levied by local governmental subdivisions.

### **Individual Income Tax Provisions**

Present law provides for a tax to be assessed, levied, collected, and paid upon the taxable income of an individual at the following rates:

- (1) 1.85% on the first \$12,500 of net income.
- (2) 3.5% on the next \$37,500 of net income.
- (3) 4.25% on net income in excess of \$50,000.

Proposed law removes the graduated schedule of rates and brackets in favor of a flat 3% individual income tax rate.

Present law provides that in cases where taxpayers file a joint return of husband and wife, the combined tax shall be twice the combined tax of single filers.

Proposed law repeals present law.

Present law requires the automatic reduction in each individual income tax rate if, beginning Jan. 1, 2024, and each Jan. 1st thereafter through 2034, the prior fiscal year's actual individual income tax collections as reported in the state's accounting system exceed the actual individual income tax collections for the fiscal year ending June 30, 2019, adjusted annually by a growth factor. If the conditions in present law are met, individual income tax rates shall be reduced beginning the following January 1st. Further requires the reduced rate to be calculated by multiplying each current rate by the difference between one and the percentage change in individual income tax collections in excess of the individual income tax collections for Fiscal Year 2018-2019 adjusted annually by the growth factor as provided for in present constitution.

Proposed law repeals present law.

Present law provides that all personal exemptions and deductions for dependents allowed in determining federal income tax liability shall be allowed in determining La. tax liability. Further provides for a combined personal exemption of \$4,500 for single, individual filers; \$9,000 for married, joint filers; \$4,500 for married, separate filers; and \$9,000 for filers who are the head of household.

Proposed law changes present law by increasing the combined personal exemption to \$12,500 for single, individual and married, separate filers. Also increases the amount of the personal exemption to 200% of the dollar amount of the deduction for single filers for married, joint filers, qualified surviving spouses, and filers who are the head of household. Further requires the amount of these exemptions to be adjusted annually beginning Jan. 1, 2026, by an amount calculated by multiplying the amount of the prior year's standard deduction by percentage increase in the CPI for all urban consumers, as published by the U.S. Dept. of Labor, for the previous calendar year, as calculated by the secretary of the Dept. of Revenue (referred to hereafter as the "secretary").

Present law authorizes a credit of \$400 for each dependent who meets certain criteria and an additional deduction of \$1,000 for each allowable exemption in excess of those required to qualify for the exemption allowable under present law (R.S. 47:294(A)).

Proposed law repeals present law.

Present law requires the secretary to establish tax tables that calculate the tax owed by taxpayers based upon where their taxable income falls within a range that does not exceed \$250. Proposed law removes requirement that the range not exceed \$250.

Present law further requires the secretary to provide in the tax tables the combined personal exemption, standard deduction, and other exemption deductions in present law which are deducted from the 2% bracket. If the combined exemptions and deductions exceed the 2% bracket, the excess is deducted from the 4% bracket, and then the 6% bracket.

Proposed law repeals present law.

Present law authorizes an S corporation or entity taxed as a partnership for federal income

tax purposes to elect to be taxed and to comply with requirements of present law as if the entity had been required to file an income tax return with the I.R.S. as a C corporation. S corporations that make this election shall not be eligible for the S corporation exclusion provided in present law. Further provides that the tax levied on the La. taxable income of every entity that makes this election shall be computed at the following rates:

- (1) 1.85% on the first \$25,000 of La. taxable income.
- (2) 3.5% on La. taxable income above \$25,000 but not in excess of \$100,000.
- (3) 4.25% on La. taxable income above \$100,000.

Proposed law changes present law to remove the graduated schedule of rates and brackets in favor of a flat 3% income tax rate levied for individuals.

Present law exempts \$6,000 of annual pension or annuity income received by an individual 65 years of age or older from state income taxation.

Proposed law increases the amount of annual pension or annuity income exempt from income taxation from \$6,000 to \$12,000 and further requires the amount of the exemption to be adjusted annually beginning Jan. 1, 2026, by an amount calculated by multiplying the amount of the prior year's exemption by the average annual increase in the CPI for all urban consumers, as published by the U.S. Dept. of Labor, for the previous calendar year, as calculated by the secretary.

Proposed law authorizes, beginning Jan. 1, 2025, a bonus depreciation deduction for qualified property or qualified improvement property and a bonus amortization deduction for research and experimental expenditures, at the election of the taxpayer, for costs of qualified property, qualified improvement property, and research and experimental expenditures. "Bonus depreciation" and "bonus amortization" mean methods to recover costs for expenditures in depreciable or amortizable business assets by immediately deducting the cost of the expenditures in the tax year in which the property is placed in service or the expenditure is paid or incurred.

Proposed law prohibits any depreciation claimed from duplicating any depreciation or bonus depreciation allowable on the federal income tax return of the taxpayer for the taxable year. Proposed law requires federal adjusted gross income to be increased by the amount of depreciation or amortization claimed under the Internal Revenue Code for the qualified property, qualified improvement, and research and experimental expenditures for which bonus depreciation has been claimed for taxable periods subsequent to the tax year in which the election has been made. Prohibits proposed law from being construed to allow as an expense the excess of 100% of the cost of property or expenditures.

Present law authorizes a deduction, for purposes of calculating tax table income for resident and nonresident individuals, for income from net capital gains, which is limited to gains recognized and treated for federal income tax purposes as arising from the sale or exchange of an equity interest in or substantially all of the assets of certain businesses domiciled in La. The deduction is limited to sales or exchanges of equity interests in or assets of a nonpublicly traded business that the taxpayer has held for a minimum of five years immediately prior to the sale or exchange. The amount of the deduction is based on the amount of time the equity interest was held by the taxpayer. Present law requires the Dept. of Revenue to promulgate rules relative to the deduction in order to reduce administrative requirements for eligible taxpayers.

Proposed law repeals present law.

Present law establishes deductions from tax table income for a taxpayer who adopts a child who is in foster care or a youth receiving extended foster care services pursuant to the Extended Foster Care Program Act or who adopts an infant who is unrelated to the taxpayer and who is less than one year of age through a private agency or adopts an infant who is unrelated to the taxpayer and who is less than one year of age through an attorney. The

amount of these deductions is \$5,000 and shall be applicable in the year the adoption becomes final. Present law provides that these deductions are in lieu of the dependency deductions otherwise provided for in present law.

Proposed law retains present law as it relates to the deductions but repeals the limitation that these deductions are in lieu of the dependency deductions otherwise provided for in present law.

Present law provides for the computation of La. taxable income for a resident estate or trust, including provisions for the federal income tax deduction, limitations of deductions for net income, provisions for the federal deduction for alternative minimum tax, and the authority of the secretary to consider reductions to the federal income tax deduction and the determination of the deductible portion of an alternative minimum tax.

Present law provides for a tax to be assessed, levied, collected, and paid on the La. taxable income of an estate or trust at the following rates:

- (1) 2% on the first \$10,000 of La. taxable income.
- (2) 4% on the next \$40,000 of La. taxable income.
- (3) 6% on La. taxable income in excess of \$50,000.

Proposed law removes the graduated schedule of rates in favor of a flat 3% rate on taxable income of an estate or trust.

Present law authorizes a nonrefundable income or franchise tax credit for businesses that hire participants in work release programs established pursuant to present law. The amount of the credit shall be equal to 5% of the total wages paid to an eligible reentrant in an eligible job for 12 consecutive months following the release of the eligible reentrant from imprisonment. The total amount of tax credits granted to any eligible business shall not exceed \$2,500 per eligible reentrant. Proposed law prohibits credits from being granted after June 30, 2027.

Proposed law retains present law but accelerates termination for granting credits from after June 30, 2027, to certifications requested after June 30, 2025.

Present law authorizes the Board of Commerce and Industry, with approval of the governor, to enter into exemption contracts with manufacturing establishments, headquarters, or warehousing and distribution establishments seeking such exemption if requirements of present law are met regarding the location of the entity seeking the exemption for tax equalization.

Proposed law prohibits the Board of Commerce and Industry from entering into any exemption contract on or after June 30, 2025, and prohibits the board from renegotiating or approving the renewal of an existing contract after June 30, 2025.

Present law provides a credit against La. income or corporation franchise tax for ad valorem taxes paid to political subdivisions on inventory held by manufacturers, distributors, and retailers and on natural gas held, used, or consumed in providing natural gas storage services or operating natural gas storage facilities.

Proposed law retains present law for individuals and pass-through entities but changes present law for C corporations. Proposed law terminates the credit C corporation filers beginning on July, 1, 2026. Further eliminates eligibility of C corporation filers from receiving excess credit amounts as refunds beginning Jan. 1, 2025.

Present law provides a credit for motion picture productions in La. Present law provides an annual cap for the application of credits of \$150M and an annual cap for the claiming of credits of \$180M. Present law allows any unused cap amounts to roll over to the next year. Present law also allows a taxpayer to transfer the motion picture credit back to the Dept. of



Revenue for a reduced rate.

Proposed law decreases the annual cap for the application of credits and the annual cap for the claiming of credits to \$125M. Proposed law also prohibits the rollover of any unused cap to the next year for tax credits granted in a final certification letter after July 1, 2025.

Present law authorizes an income and corporation franchise tax credit for certain taxpayers who employ 50 or more persons and claim a federal income tax credit for increasing research activities. This tax credit is also available for taxpayers who employ fewer than 50 employees if the employer meets certain eligibility requirements.

Present law authorizes an additional tax credit for taxpayers who receive a federal Small Business Innovation Research (SBIR) grant or contract and Phase I or Phase II grants or contracts from the federal Small Business Technology Transfer (SBTT) program equal to 30% of the award received during the tax year.

Present law prohibits tax credits for research expenditures incurred, SBTT program funds received, or SBIR grant funds received after Dec. 31, 2029.

Proposed law retains present law provisions but provides that beginning July 1, 2026, no more than \$12M of research and development tax credits may be claimed in each fiscal year. Proposed law further provides that claims for tax credits will be on a first-come, first-serve basis and any taxpayer whose claim for credits is disallowed because the fiscal cap has been reached may use the credits against state income tax in the next fiscal year and receive priority over other claims filed after the date of the original claim.

Present law authorizes a tax preference known commonly as the "rehabilitation of historic structures tax credit" which provides a credit against income and corporation franchise tax for the amount of eligible costs and expenses incurred during the rehabilitation of a historic structure that meets qualifications provided in present law. The amount of the credit shall equal 25% of the eligible costs and expenses of the rehabilitation incurred on or after Jan. 1, 2023, and before Jan. 1, 2029, regardless of the year the property is placed in service. For the rehabilitation of a historic structure located in a rural area, the amount of the credit shall equal 35% of the eligible costs and expenses of the rehabilitation incurred on or after Jan. 1, 2023, and before Jan. 1, 2029.

Present law prohibits the issuance of a credit for expenses incurred on or after Jan. 1, 2029.

Present law provides an annual application Part II reservation cap of \$125M per year.

Proposed law changes the annual application Part II reservation cap from \$125M to \$85M and otherwise retains present law.

Present law establishes the Angel Investor Tax Credit program which authorizes a 25% income or corporate franchise tax credit on investments in La. small businesses that are certified by La. Economic Development (LED) as "Louisiana Entrepreneurial Businesses".

Present law limits the total amount of credits granted under the program to \$3.6M per year but authorizes the department to carry forward residual unused credits in any calendar year to subsequent calendar years without regard to the annual credit cap. Prohibits credits from being granted or reserved for applications received by LED on or after July 1, 2030.

Proposed law retains present law but accelerates the termination date for granting or reserving credits from on or after July 1, 2030, to after June 30, 2025.

Present law authorizes a state income tax credit for investments made in state-certified sound recording productions until July 1, 2026. The tax credit is earned by investors at the time expenditures are certified by LED according to the total base investment certified for the sound recording production company per calendar year. The aggregate amount of credits that can be certified each year is limited to \$2,160,000; however, 50% of the credits certified each year shall be reserved for qualified music companies (QMC).

Present law provides that the amount of the credit for each investor for state-certified productions received on or after July 1, 2017, is 18% of the base investment made by that investor in excess of \$25,000 or, if a resident of this state, in excess of \$10,000. Present law provides for the following additional tax credits for state-certified productions:

- (1) QMC Tier 1 payroll credit of 10% for each new job with a salary of \$35,000 through \$66,000 per year.
- (2) QMC Tier 2 payroll credit of 15% for each new job with a salary of \$66,000 but not more than \$200,000.
- (3) Additional 10% increase in the base amount if the base investment is expended by a QMC on a sound recording of a resident copyright.

Proposed law prohibits credits from being allowed or granted for applications received on or after July 1, 2025. Otherwise retains present law.

Present law provides for the Enterprise Zone Program under which the Board of Commerce and Industry can enter into contracts after consultation with the secretary of LED and the secretary of the Dept. of Revenue with qualified applicants for rebates of state and local sales and use tax or a refundable investment income tax credit equal to 1.5% of the amount of qualified expenditures.

Present law prohibits LED from accepting new advance notifications for the Enterprise Zone Program on or after July 1, 2026.

Proposed law retains present law but changes the deadline for LED to accept new advance notifications from on or after July 1, 2026, to on or after July 1, 2025.

Present law authorizes an employer to earn and apply for a refundable credit on any income or corporation franchise tax liability in the amount approved by the secretary of LED for qualified expenditures incurred by the employer for a modernization pursuant to the Retention and Modernization Act. Further provides that for credits approved on and after July 1, 2017, the amount of the credit granted shall be 4% of the amount of qualified expenditures incurred by the employer for modernization with the credit divided in equal portions for five years. The total amount of modernization tax credits granted in any calendar year shall not exceed \$7.2M regardless of the year in which the credit is claimed. A retention and modernization tax credit shall expire and have no value or effect on tax liability beginning with the eleventh tax year after the tax year in which it was originally granted.

Proposed law retains present law but adds a termination date for the credit by prohibiting credits from being issued for applications received after June 30, 2025.

Present law provides for the La. Quality Jobs Program under which LED can enter into contracts with qualified applicants for rebates of sales and use tax and an investment tax credit. Present law prohibits LED from accepting new advance notifications for the Quality Jobs Program after June 30, 2026.

Proposed law retains present law but changes the deadline for LED to accept new advance notifications for the Quality Jobs Program from June 30, 2026, to June 30, 2025.

Proposed law repeals the following income tax deductions and credits:

- (1) Deduction for expenses disallowed by I.R.C. Section 280C. (R.S. 47:293(9)(a)(ix))
- (2) Deduction for taxpayers or dependents who are deaf, blind, mentally incapacitated, or who have lost the use of one or more limbs. (R.S. 47:297(A))
- (3) Tax credit for the elderly, a credit for contributions to candidates for public office, an investment credit, a credit for foreign tax, a work incentive credit, jobs credit, and residential energy credit. (R.S. 47:297(B))

- (4) Tax credit for state gasoline, motor fuel, and special fuels taxes paid for the operation of a commercial fishing boat. (R.S. 47:297(C))
- (5) Tax credit for educational expenses incurred before Jan. 1, 2017, for each child attending kindergarten, elementary, or secondary school through the 12th grade if the child qualifies as a dependency exemption on the taxpayer's La. tax return unless the deduction for the payment of tuition and fees for nonpublic elementary and secondary school tuition is taken for the child. (R.S. 47:297(D))
- (6) Tax credit for purchases of environmental equipment purchased between July 1, 1989, and Dec. 31, 1991, designed to recover or recycle chlorofluorocarbons used as refrigerants in commercial, home, and automobile air-conditioning systems, refrigeration units, and industrial cooling applications. (R.S. 47:297(G))
- (7) Tax credit for small-town health professionals such as a certified medical primary care physician, a primary care physician assistant, a dentist, an optometrist, or a primary care nurse practitioner. (R.S. 47:297(H))
- (8) Tax credit for bone marrow donor expenses. (R.S. 47:297(I))
- (9) Tax credit for educational expenses associated with attending college for a degree related to law enforcement. (R.S. 47:297(J))
- (10) Tax credit for each taxpayer who provides full-time employment to an individual who has been convicted of a first time drug offense. (R.S. 47:297(K))
- (11) Tax credit for purchases of bulletproof vests. (R.S. 47:297(L))
- (12) Tax credit for long-term care insurance premiums. (R.S. 47:297(M))
- (13) Tax credit for expenses incurred for travel or absence from work because of a living organ donation. (R.S. 47:297(N))
- (14) Tax credit for employment of certain nonviolent offenders. (R.S. 47:297(O))
- (15) Tax credit for the inclusion of accessible and barrier-free design elements in construction of a new one- or two-family dwelling or the renovation of an existing dwelling. (R.S. 47:297(P))
- (16) Tax credit for employment-related expenses for maintaining household for certain disabled dependents. (R.S. 47:297.2)
- (17) Tax credit for the rehabilitation of an owner-occupied residential or mixed-use property. (R.S. 47:297.6)
- (18) Tax credit for the Citizen's property insurance assessment. (R.S. 47:297.7)
- (19) Tax credit for amounts paid by certain military servicemembers for obtaining La. hunting and fishing licenses. (R.S. 47:297.9)

Proposed law is applicable to taxable periods beginning on and after Jan. 1, 2025.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 22:2065, R.S. 47:32(A), 44.1(A), 287.732.2(B), 287.750(I), 293(9)(a)(iv) and (10), 294, 295, 297.14(Section heading), 300.1, 300.3(3), 301(3), (4)(i)-(k), (6)-(8), (10), (13), (14), (16), (18), and (23)-(30), 301.1(B)(2)(b)-(d), (C)(2)(b), and (D)-(F), 302(D), 303(B)(intro. para.), (1)(intro. para.) and (b)(intro. para.), (3)(b)(ii), and (4), (D)(1), (E), and (F), 303.1(B)(5), 304(A), 305(A), (B), (C), (D)(1), and (E)-(I), 305.2-305.4, 305.6-305.8, 305.10(F), 305.13, 305.16, 305.20(A), (C), and (D), 305.33, 305.39, 305.50(B)-(D), 305.70, 305.72(C), 305.73(B)-(D), 305.75(A), 306(A)(3)(a), 306.5(B), 318(A), 321(A) and (C),

321.1(A)-(C), and (E), 322, 331(A)-(C), 332, 337.2(C)(2) and (4)(a) and (b)(i)(aa)(II) and (bb)(II), 337.4(B)(6) and (7), 337.6(B), 337.8(B), 337.10, 337.13(A), 463.8(B)(1)(b) and (3), 4302(B), 6001(A), 6006(A), (B)(1)(intro. para.), (2), and (4), (D), and (E), 6007(J)(1)(b)(i) and (c) and (2)(a), 6019(A)(1)(e), 6020(H), and 6023(I), and R.S. 51:1286, 1787(L), and 2461; Adds R.S. 47:293(9)(a)(xxvi), 297.25, 300.6(B)(3), 300.7(C)(3), 301(4)(l), 301.3, 301.4, 301.5, 305(J) and (K), 305.5, 305.72(D)-(F), 3204(M), 6007(J)(1)(d), and 6015(M); Repeals R.S. 40:582.1-582.7, R.S. 47:9, 32(B), 32.1, 79, 293(9)(a)(ix) and (xvii), 293.2, 297, 297.2, 297.6, 297.7, 297.9, 297.20(A)(2), 297.21(A)(2), 301(4)(m) and (n) and (31), 301.1(B)(2)(e) and (f) and (F), 301.2, 302(F)-(J), (L)-(T), and (X)-(CC), 305(D)(3)-(6), 305.18, 305.24-305.26, 305.28, 305.30, 305.33, 305.37, 305.40-305.44, 305.46, 305.47, 305.49, 305.50(E) and (F), 305.52, 305.54, 305.56-305.61, 305.63, 305.65, 305.68, 305.71, 305.73(A)(5) and (6), (E), and (F), 305.74, 305.77-305.80, 306(A)(6), and (7), and (D), 315.1- 315.3, 315.5, 321(E)-(Q), 321.1(F), (I), 331(F)-(W), 337.2(A)(2) and (B)(3)(e)-(h), 337.4(B)(4) and (8), 337.5(A)(1)(e), 337.10.1-337.10.2, 337.11.1, 337.11.2, 337.18(A)(3), 337.23(C)(1)(a)(ii), 338.1(B), 340(G)(6)(d), 6003, 6006(F)-(H), and 6040, and R.S. 51:1301-1316)