

2025 Regular Session

ACT No. 376

HOUSE BILL NO. 533

BY REPRESENTATIVES CARVER, BAYHAM, BERAULT, COX, DOMANGUE,
EGAN, FISHER, GLORIOSO, JACKSON, MIKE JOHNSON, LAFLEUR, JACOB
LANDRY, TERRY LANDRY, LARVADAIN, LYONS, MENA, MOORE, SPELL,
TAYLOR, THOMPSON, AND WYBLE

1 AN ACT

2 To amend and reenact R.S. 23:386 and R.S. 47:6033(G) and to enact R.S. 47:6003, relative
3 to tax credits; to establish a tax credit for employment of certain apprentices, interns,
4 and youth workers; to provide for the amount of the credit; to provide for
5 qualifications for the credit; to provide for requirements and limitations with respect
6 to the credit; to provide for claiming of the credit; to authorize recovery of credit
7 amounts in certain circumstances; to provide relative to apprenticeship programs of
8 the Louisiana Workforce Commission; to limit the period in which a tax credit
9 relative to apprenticeships may be earned; to provide for definitions; to authorize
10 promulgation of administrative rules; to provide for applicability; to provide for an
11 effective date; and to provide for related matters.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. R.S. 23:386 is hereby amended and reenacted to read as follows:

14 §386. Apprentice defined

15 The term "apprentice" as used in this Chapter is defined as a worker at least
16 sixteen years of age, except where a higher minimum age standard is otherwise fixed
17 by law, who is employed to learn an apprenticeable occupation pursuant to the
18 standards of apprenticeship as provided for in the Louisiana Administrative Code,
19 Title 40, Part 9, §317 in order to fulfill the requirements of the Louisiana
20 Administrative Code, Title 40, Part 9, §301, and who has entered into a written
21 apprentice agreement with an employer, an association of employers, or an

1 organization of employees, providing for a time-based program model with not less
2 than two thousand hours of reasonably continuous employment, a competency-based
3 program model, or a hybrid program, and for participation in an approved program
4 of training through employment and through education in related and supplemental
5 subjects.

6 Section 2. R.S. 47:6033(G) is hereby amended and reenacted and R.S. 47:6003 is
7 hereby enacted to read as follows:

8 §6003. Work-Based Learning Tax Credit

9 A. This Section shall be known and may be cited as the "Work-Based
10 Learning Tax Credit Act".

11 B. The legislature hereby finds that an insufficient number of people with
12 adequate levels of on-the-job training is an impediment to workforce development
13 and economic growth; that well-compensated jobs would be more abundant in this
14 state if workers overall possessed greater levels of skills and work experience; that
15 apprenticeships and internships are integral components of work-based learning
16 initiatives in Louisiana's school accountability system; and that, as a critical strategy
17 for curbing out-migration, public colleges and universities of this state strive to
18 facilitate greater student participation in work-based learning. The legislature hereby
19 declares that establishing a tax credit which provides incentives for businesses to
20 employ apprentices, interns, and youth workers is in the best economic interest of
21 this state.

22 C. For purposes of this Section, the following terms shall have the meanings
23 ascribed to them in this Subsection:

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

25 (2) "Eligible apprentice" means a person who meets either of the following
26 criteria:

27 (a) Has entered into a written apprentice agreement with an employer or an
28 association of employers as part of a registered apprenticeship program provided for
29 in R.S. 23:381 et seq.

1 **(b) Is enrolled in a training program accredited by the National Center for**
2 **Construction Education and Research which has no less than four levels of training**
3 **and no less than five hundred hours of instruction.**

4 **(3) "Intern" means a student learner who participates in an internship**
5 **authorized and regulated by the provisions of LAC 28: CXV.3113 or any successor**
6 **regulations the Board of Elementary and Secondary Education may publish relative**
7 **to a work-based learning program classified as an internship.**

8 **(4) "Youth worker" means an individual who has attained the age of fifteen**
9 **but not yet attained the age of twenty-four; is unemployed prior to being hired by a**
10 **business that will apply for a credit authorized by this Section; will be working in a**
11 **full-time or part-time position that pays wages that are equivalent to the wages paid**
12 **for similar jobs, with adjustments for experience and training; and meets at least one**
13 **of the following criteria:**

14 **(a) Is at least eighteen years old, is no longer in school, and does not have**
15 **a high school diploma, HiSET or GED credential or high school equivalency**
16 **diploma.**

17 **(b) Is a member of a household that is receiving assistance from the Family**
18 **Independence Temporary Assistance Program.**

19 **(c) Is a member of a household that is receiving benefits through the**
20 **Supplemental Nutrition Assistance Program.**

21 **(d) Is a member of a household that is receiving assistance from the Kinship**
22 **Care Subsidy Program.**

23 **(e) Is a member of a family that is receiving assistance or benefits under the**
24 **Temporary Assistance for Needy Families Program.**

25 **(f) Has served time in jail or prison or is on probation or parole.**

26 **(g) Is pregnant or is a parent.**

27 **(h) Is homeless.**

28 **(i) Is currently or was in foster care, extended foster care, or the custody of**
29 **the Department of Children and Family Services.**

30 **(j) Is a veteran.**

1 (k) Is the child of a parent who is currently incarcerated or was released from
2 incarceration within the past two years.

3 (l) Lives in public housing or receives housing assistance such as a Section
4 8 voucher.

5 D.(1) There shall be allowed a credit against Louisiana income tax for the
6 employment of eligible apprentices, interns, and youth workers. The amount of the
7 credit for each eligible apprentice, intern, and youth worker employed for a
8 minimum of one hundred hours during the taxable period shall equal two dollars and
9 fifty cents per hour of employment or two thousand five hundred dollars, whichever
10 is less, per taxable period. Except as provided in Subparagraph (c) of this Paragraph,
11 the maximum amount of tax credits that may be granted for a calendar year, referred
12 to hereafter in this Paragraph as the "credit cap", shall be as follows:

13 (a) For the calendar year beginning January 1, 2026, and ending December
14 31, 2026, the credit cap shall be one million dollars.

15 (b) Beginning January 1, 2027, and each January first thereafter, the credit
16 cap for the calendar year shall be established in accordance with the following
17 provisions:

18 (i) If the secretary of the department determines that less than eighty percent
19 of the credit cap amount authorized for the preceding calendar year was granted, then
20 the credit cap for the current calendar year shall not be adjusted.

21 (ii) If the secretary of the department determines that at least eighty percent
22 of the credit cap amount authorized for the preceding calendar year was granted, then
23 the credit cap for the current calendar year shall be increased by one million dollars.

24 (c) The credit cap for a calendar year shall not exceed seven million five
25 hundred thousand dollars.

26 (2) No later than July first of each year, the secretary of the department shall
27 publish on the department's website a notice of the credit cap amount authorized for
28 the calendar year in which the notice is published. However, when the credit cap for
29 a calendar year reaches seven million five hundred thousand dollars, the secretary

1 shall no longer be required to publish notice of the credit cap amount on the
2 department's website.

3 (3)(a) Beginning January 1, 2027, taxpayers shall apply for the work-based
4 learning tax credit on a form and in the manner prescribed by the department. The
5 application period shall begin on January first and conclude on February
6 twenty-eighth of each calendar year following the calendar year in which the credit
7 is deemed earned. Eligible applications shall be approved by the department on a
8 first-come, first-served basis as determined by the received date and time of a
9 completed application. An application shall not be considered complete until all
10 information requested by the department has been received. A taxpayer is deemed
11 eligible upon satisfactorily demonstrating that it has met the applicable requirements
12 of this Section.

13 (b) If the aggregate amount of applications received on a single business day
14 exceeds the total amount of available tax credits, the department shall approve tax
15 credits on a pro rata basis. In the event the taxpayer is subject to proration, the
16 taxpayer shall only be eligible for a credit equal to the pro rata amount for the tax
17 period deemed eligible.

18 E.(1) The department, in consultation with the Louisiana Workforce
19 Commission, shall establish by rule the procedures for determining an employer's
20 eligibility for the credit relative to apprenticeship programs.

21 (2) The Louisiana Workforce Commission shall annually provide to the
22 department a list of businesses that participate in the apprenticeship programs
23 administered by the commission.

24 (3) In order for an employer to be eligible for a credit based upon employing
25 a student enrolled in a training program accredited by the National Center for
26 Construction Education and Research, that student shall have successfully completed
27 no less than two levels of training and no less than two hundred fifty hours of
28 instruction. The department shall establish which student enrollment and transcript
29 data from the National Center for Construction Education and Research are

1 necessary in order to determine an employer's eligibility for the credit authorized by
2 this Section.

3 F.(1) The credit shall be allowed against the income tax due from a taxpayer
4 for the taxable period in which the credit is earned. If the credit allowed pursuant to
5 this Section exceeds the amount of taxes due from a taxpayer, then the taxpayer may
6 carry any unused credit forward to be applied against subsequent tax liability for a
7 period not to exceed five years. However, in no event shall the amount of the tax
8 credit applied by a taxpayer in a taxable period exceed the amount of taxes due from
9 the taxpayer for that period.

10 (2) All entities taxed as corporations for Louisiana income tax purposes shall
11 claim any credit on their corporation income tax return.

12 (3) Individuals, estates, and trusts shall claim any credit on their income tax
13 return.

14 (4) Entities not taxed as corporations shall claim their share of any credit on
15 the returns of the partners or members as follows:

16 (a) Corporate partners or members shall claim their share of any credit on
17 their corporation income tax returns.

18 (b) Individual partners or members shall claim their share of any credit on
19 their individual income tax returns.

20 (c) Partners or members that are estates or trusts shall claim their share of
21 any credit on their fiduciary income tax returns.

22 G. Credits previously granted to a taxpayer but later disallowed may be
23 recovered by the secretary of the department through any collection remedy
24 authorized by R.S. 47:1561.3.

25 H. The department may promulgate rules in accordance with the
26 Administrative Procedure Act to establish the policies and criteria regarding program
27 eligibility and any other matter necessary to carry out the intent and purposes of this
28 Section.

29 I. No credit shall be earned for the employment of eligible apprentices,
30 interns, or youth workers before January 1, 2026, or after December 31, 2031.

