

ACT No. 190

HOUSE BILL NO. 1088

BY REPRESENTATIVES BACALA, BAYHAM, BEAULLIEU, DEWITT, ECHOLS, EGAN, FISHER, JACKSON, MOORE, OWEN, SAWYER, TAYLOR, VENTRELLA, WYBLE, AND YOUNG

1 AN ACT

2 To amend and reenact R.S. 47:303.1(B)(5) and to enact R.S. 47:305.82, relative to sales and
3 use tax rebates; to authorize a state and local sales and use tax rebate on purchases
4 of certain equipment, machinery, materials, and other items used in aerospace
5 facilities and aerospace activities; to provide for requirements, limitations, and
6 conditions with respect to the rebate; to provide for duties and functions of Louisiana
7 Economic Development and the Department of Revenue with respect to the rebate;
8 to provide for administration of the rebate; to provide for issuance of direct payment
9 numbers to certain taxpayers; to provide for definitions; to provide for effectiveness;
10 and to provide for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 47:303.1(B)(5) is hereby amended and reenacted and R.S. 47:305.82
13 is hereby enacted to read as follows:

14 §303.1. Direct Payment Numbers

15 * * *

16 B.

17 * * *

1 (a) A contractor or subcontractor purchasing, leasing, operating, or
 2 maintaining the approved aerospace facility.

3 (b) A contractor or subcontractor providing services for the construction,
 4 repair, maintenance, or improvement of the approved aerospace facility or equipment
 5 used in aerospace activities at an approved aerospace facility.

6 (4) "Approved aerospace facility owner" means the entity that enters into the
 7 agreement with Louisiana Economic Development as provided for in this Section.

8 (5) "Department" means the Department of Revenue.

9 B.(1)(a) Subject to the limitations provided in Subparagraph (b) of this
 10 Paragraph, an approved aerospace facility owner or approved aerospace facility
 11 contractor shall be eligible for a rebate, to be paid annually, of sales and use taxes
 12 of any taxing authority paid for the purchase, lease, rental, or use of machinery,
 13 equipment, materials, supplies, or services used directly in aerospace activities at an
 14 approved aerospace facility.

15 (b) Only purchases made on or after July 1, 2026, shall be eligible for the
 16 rebate authorized in this Subsection.

17 (2) To be certified as an approved aerospace facility by Louisiana Economic
 18 Development, the aerospace facility owner shall provide a sworn attestation that the
 19 project will create a minimum of two hundred new direct, permanent, full-time jobs
 20 in Louisiana and intends to expend at least one billion dollars in new capital
 21 investment in Louisiana on or after July 1, 2026, but before July 1, 2031.

22 (3)(a) A facility that has been certified as an approved aerospace facility
 23 shall enter into an agreement with Louisiana Economic Development that comports
 24 with the requirements of this Paragraph.

25 (b) The agreement shall provide a term of rebate eligibility with an initial
 26 term of twenty years, a list of all eligible recipients of the rebate, and language that
 27 authorizes the state to terminate the agreement and recapture any rebates if the
 28 approved aerospace facility fails to fulfill, or if Louisiana Economic Development
 29 determines that the facility will be unable to fulfill its statutory and contractual
 30 obligations. Failure to create a minimum of two hundred new direct, permanent,

1 full-time jobs in Louisiana or to expend one billion dollars in new capital investment
2 in Louisiana by July 1, 2031, shall result in the termination of the rebate agreement
3 with Louisiana Economic Development.

4 (c) Upon the expiration of the initial term of the agreement, Louisiana
5 Economic Development may renew the agreement for an additional ten years.

6 (d) Louisiana Economic Development may include in the agreement any
7 additional conditions that it deems appropriate.

8 (4) An approved aerospace facility shall be issued a Direct Payment Number
9 in accordance with the applicable provisions of R.S. 47:303.1.

10 (5) The department may utilize any collection remedy authorized by R.S.
11 47:1561.2 for any rebates subject to recapture based on termination of the agreement
12 with Louisiana Economic Development or a determination that the purchase did not
13 qualify for the rebate. If a rebate is subject to recapture, the approved aerospace
14 facility owner shall reimburse the department or its agent for any costs incurred.
15 Notwithstanding any provision of law to the contrary, recapture of a rebate based on
16 a termination of the agreement may be initiated within the later of a time period set
17 forth in R.S. 47:1561.2 or two years after the date of termination of the agreement.

18 C.(1) Requests for the rebate of sales and use taxes levied by taxing
19 authorities pursuant to the provisions of this Section shall be processed by the
20 department. A taxpayer shall request a rebate of state tax using a form and in the
21 manner prescribed by the department.

22 (2) A taxpayer who requests a rebate pursuant to Subsection B of this
23 Section shall do all of the following:

24 (a) Obtain certification from Louisiana Economic Development that the
25 aerospace facility is an approved aerospace facility eligible to receive a rebate. A
26 copy of the certification shall be submitted to the department with the rebate request.

27 (b) Submit documentation to the department evidencing the purchases
28 eligible for the rebate.

1 D.(1) Requests for the rebate of local sales and use taxes pursuant to the
 2 provisions of this Section shall be processed by the appropriate local taxing
 3 authority. A taxpayer shall claim a rebate of local tax using a form and in the manner
 4 required by the local taxing authority.

5 (2) A taxpayer who requests a rebate pursuant to Subsection B of this
 6 Section shall submit documentation to the local taxing authority evidencing the
 7 purchases eligible for the rebate.

8 Section 2. This Act shall become effective on July 1, 2026.

 SPEAKER OF THE HOUSE OF REPRESENTATIVES

 PRESIDENT OF THE SENATE

 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____