
DIGEST

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Reynolds

HB No. 599

Abstract: Expands the income and corporate franchise tax credit for rehabilitation of historic structures in downtown development or cultural product districts to include insurance premium and severance tax payments as eligible expenses and extends the applicability to a qualifying local district.

Present law provides for an income and corporate franchise tax credit for the rehabilitation of historic structures in a downtown development or cultural product district.

Proposed law retains present law but allows insurance premiums and severance taxes to be included in the eligible costs and expenses.

Proposed law changes the districts to which the tax credit applies from a downtown development or cultural product district to a qualifying local district.

Present law provides for a credit against the income tax in the taxable period in which the credit is earned and against the franchise tax for the taxable period following the taxable period in which the credit is earned.

Proposed law retains present law but adds that the credit shall be allowed against tax liabilities for the tax imposed on insurance premiums pursuant to present law (R.S. 22:838) and for the general severance tax in the taxable period following the taxable period in which the credit is earned.

Proposed law defines "La. Main Street Community" as a geographic area designated by the division of historic preservation as a La. Main Street Community.

Proposed law defines "Qualifying local district" to mean a downtown development district, a cultural products district, a La. Main Street Community, or a small municipality.

Proposed law defines "Small municipality" to mean either a municipality with a population of less than 20,000 located within a parish with a population of less than 100,000 or a municipality with a population of less than 3,000.

Proposed law extends the effective date for taxable years ending prior to Jan. 1, 2016 to Jan. 1, 2018.

(Amends R.S. 47:6019)