The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Laura Gail Sullivan.

DIGEST

SB 225 Original

2015 Regular Session

Donahue

<u>Present law</u> allows a refundable tax credit to be applied against income and corporation franchise taxes due for conducting certain qualified research and development activities in La. Provides for qualification, application processes, determination of the amount of the credit, and administration of present law.

Proposed law retains present law.

Present law provides that the credit terminates Dec. 31, 2019.

Proposed law retains present law.

<u>Proposed law</u> establishes a cap of \$23 million on the total amount of credits allowed in a fiscal year beginning with FY 2015-16. The cap is the baseline average of the aggregate amount of claims filed for the credits provided for in <u>present law</u> during the five fiscal years from FY 2008-09 to FY 2013-14.

<u>Proposed law</u> provides that claims for the credit shall be allowed on a first-come, first-served basis. Provides that any taxpayer whose claim for the credit is disallowed may use the credit against income or corporate franchise tax liability due in a return filed in the next fiscal year and his claim shall have priority over other claims filed after the date and time of his original claim.

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

(Amends R.S. 47:6015(C)(2)(intro para), (D), and (J))