

2015 Regular Session

SENATE BILL NO. 229

BY SENATOR DONAHUE

TAX/TAXATION. Establishes a baseline limit on all claims against income and franchise tax for Angel Investor Tax Credit Program filed during a fiscal year on a first-come, first-served basis and gives claims above the amount priority in the next fiscal year. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 47:6020(B)(1) and (D)(1) and to enact R.S. 47:6020(G), relative
3 to the Angel Investor Tax Credit Program; to provide a baseline amount of credits
4 that may be claimed in a fiscal year; to provide a termination date for the credit; and
5 to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:6020(B)(1) and (D)(1) are hereby amended and reenacted and
8 R.S. 47:6020(G) is hereby enacted to read as follows:

9 §6020. Angel Investor Tax Credit Program

10 * * *

11 B. Administration. (1) Program. ~~Investments~~ **For investments** made on or
12 after January 1, 2011, ~~by~~ **and before July 1, 2021,** qualifying individuals or entities
13 that invest in a Louisiana Entrepreneurial Business as defined by R.S. 51:2303(5)
14 may apply for, and if qualified, be granted a tax credit. The administration of tax
15 credit applications, certification of eligibility and qualification of applicants for tax
16 credits, and the provision for these credits shall be known as the Angel Investor Tax
17 Credit Program, hereinafter referred to as "program".

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2 D. Tax credits. (1)~~(a)~~ The total amount of tax credits granted by the
3 department in any calendar year **through 2014** shall not exceed five million dollars.

4 **(b) For the period from January 1, 2015, through June 30, 2015, the**
5 **total amount of tax credits granted by the department shall not exceed two**
6 **million dollars.**

7 **(c) Beginning Fiscal Year 2015-2016, the total amount of tax credits**
8 **granted by the department in any fiscal year through Fiscal Year 2020-2021**
9 **shall not exceed three million dollars. No credits shall be granted after June 30,**
10 **2021.**

11 **(d) The Subject to the provisions of Subsection G of this Section, the**
12 department shall by rule establish the method of allocating available tax credits to
13 investors including but not limited to a first-come, first-served system, reservation
14 of tax credits for a specific time period, or other method which the department, in its
15 discretion, may find beneficial to the program. If the department does not grant the
16 entire five million dollars in tax credits in any calendar year **through 2013**, the
17 amount of residual unused tax credits shall carry forward to subsequent calendar
18 years and may be granted in any year without regard to the five million dollar per
19 year limitation. **No carryforward of residual unused credits shall be permitted**
20 **after December 31, 2014.** After the approval of an investor pool, the department
21 shall issue a letter identifying the amount of tax credits that are available to that pool;
22 however, no tax credit shall be granted to an investor until the investment has been
23 made in the Louisiana Entrepreneurial Business.

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25 **G.(1) Notwithstanding any other provision of this Section, for each fiscal**
26 **year beginning Fiscal Year 2015-2016, no more than three million dollars, the**
27 **baseline average of the aggregate amount of claims filed for the credits provided**
28 **for in this Section during the five fiscal years from Fiscal Year 2008-2009 to**
29 **Fiscal Year 2013-2014, shall be allowed as a credit against income or corporate**

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.

Proposed law terminates the program June 30, 2021.

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

(Amends R.S. 47:6020(B)(1) and (D)(1); adds R.S. 47:6020(G))