

2015 Regular Session

HOUSE BILL NO. 804

BY REPRESENTATIVE ADAMS

TAX CREDITS: Provides for the carry forward rather than the refund of the research and development tax credit

1 AN ACT

2 To amend and reenact R.S. 47:6015(B)(1) and (2) and (D), relative to income and  
3 corporation franchise tax credits; to provide with respect to the tax credit for certain  
4 research and development expenses; to provide with respect to authorization for  
5 issuance of refunds for tax credits which exceed taxpayer tax liability; to provide for  
6 certain limitations; to provide for effectiveness; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:6015(B)(1) and (2) and (D) are hereby amended and reenacted  
9 to read as follows:

10 §6015. Research and development tax credit

11 \* \* \*

12 B.(1) Any taxpayer who employs fifty or more persons and claims for the  
13 taxable year a federal income tax credit under 26 U.S.C. 41(a) for increasing research  
14 activities shall be allowed a ~~refundable~~ tax credit to be applied against income and  
15 corporation franchise taxes due. If the amount of the credit exceeds the amount of  
16 tax liability for the tax year, then any unused credit may be carried forward as a  
17 credit against subsequent income tax for a period not to exceed five years.

18 (2) Any taxpayer who employs less than fifty persons and claims for the  
19 taxable year a federal income tax credit under 26 U.S.C. 41(a) for the taxable year,  
20 or meets the requirements of Subparagraph (3)(i) of this Subsection, shall be allowed



Proposed law changes the tax credit from a refundable credit to one in which credit amounts which exceed taxpayer liability may be carried forward against subsequent income or corporation franchise tax liability for up to five years.

Present law prohibits credits from being issued for research expenditures incurred or Small Systems Business Innovation Research Grant funds received after Dec. 31, 2019.

Proposed law retains present law.

Applicable to tax years beginning on or after Jan. 1, 2015.

(Amends R.S. 47:6015(B)(1) and (2) and (D))