
DIGEST

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HB 66 Original

2016 First Extraordinary Session

James

Abstract: Limits rebate and investment income tax credit authorized and changes eligibility requirements to receive rebates and investment income tax credits through the Enterprise Zone Program.

Present law establishes the Enterprise Zone Program through which businesses may enter into contracts with the Board of Commerce and Industry to receive income tax credits or sales and use tax rebate payments in exchange for the creation of a certain number of jobs that involve employees who meet certain residency and other requirements.

Proposed law limits the amount of the sales and use tax rebate or the investment income tax credit, for projects for which an advance notification is filed on or after April 1, 2016, to \$100,000 per net new employee created. Further requires the net new job only be counted for purposes of the cap on the amount of the benefit in the year in which the net new job is created.

Proposed law makes ineligible for the Enterprise Zone Program those businesses with North American Industry Classification (NAICS) Code of 23 (Construction), 5613 (administrative and support services), or 721 (accommodations/hotels) if an advance notification for the project was not filed before April 1, 2016.

Proposed law authorizes the Dept. of Economic Development to determine the methodology used to compute a company's average annual employment for purposes of determining eligibility.

Effective upon signature of governor or relapse of time for gubernatorial action.

(Amends R.S. 51:1787(A)(3) and (B)(3)(c) and (5); Adds R.S. 51:1787(A)(1)(c) and (B)(3)(d))