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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Leonore Heavey.

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DIGEST

SB 15 Engrossed

2016 First Extraordinary Session

Morrell

Present law provides for the ordering of nonrefundable tax credits, refundable tax credits, and payments.

Proposed law retains present law.

Present law provides that refundable credits shall be applied after all nonrefundable credits.

Proposed law changes the ordering of the application of tax credits and requires that refundable credits be applied before all other credits and payments of tax except for nonrefundable credits with no carry forward which will be applied first.

Proposed law requires that refundable credits that can be applied against both income and corporate franchise tax, be applied to income tax first.

Applicable to taxable periods beginning on or after January 1, 2016.

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

(Amends R.S. 47:1675(B))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Requires the Department of Revenue to apply nonrefundable credits with no carry forward before refundable credits.
2. Requires that refundable credits that can be applied against both income and corporate franchise tax, be applied to income tax first.