

2017 Regular Session

HOUSE BILL NO. 500

BY REPRESENTATIVE SEABAUGH

TAX CREDITS: Provides relative to the fees and grants eligible for the business-supported child care tax credit

1 AN ACT

2 To amend and reenact R.S. 47:6107(A)(2), relative to tax credits; to provide with respect to  
3 the tax credit for business-supported child care; to provide for fees and grants which  
4 are eligible for the credit; to provide for applicability; to provide for an effective  
5 date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:6107(A)(2) is hereby amended and reenacted to read as follows:

8 §6107. Business-supported child care

9 A.

10 \* \* \*

11 (2) There shall be an additional refundable credit against any Louisiana  
12 individual or corporation income tax or corporation franchise tax for the payment by  
13 a business of fees and grants to child care resource and referral agencies and to non-  
14 profit organizations that provide direct support and training to improve quality early  
15 childhood education, not to exceed five thousand dollars per tax year.

16 \* \* \*

17 Section 2. The provisions of this Act shall be applicable for all taxable years  
18 beginning on and after January 1, 2018.

19 Section 3. This Act shall become effective upon signature by the governor or, if not  
20 signed by the governor, upon expiration of the time for bills to become law without signature

1 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
2 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
3 effective on the day following such approval.

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## DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 500 Original

2017 Regular Session

Seabaugh

**Abstract:** Adds that fees and grants paid by a business to non-profit organizations that provide direct support and training to improve quality early childhood education shall also be eligible for the business-supported child care tax credit.

Present law provides for a refundable income or corporation franchise tax credit for eligible business child care expenses supported by a business. The amount of the business child care expenses eligible for the credit is dependent on the quality rating of the child care facility to which the expenses are related or the quality rating of the child care facility the child attends and ranges from 20% for a five star rating to 0% for a one star or nonparticipating facility.

Proposed law retains present law.

Present law provides for an additional refundable income or corporation franchise tax credit for the payment by a business of fees and grants to child care resource and referral agencies. The amount of the credit shall not exceed \$5,000.

Proposed law retains present law but adds that fees and grants paid by a business to non-profit organizations that provide direct support and training to improve quality early childhood education shall also be eligible for the credit.

Applicable for all taxable years beginning on and after Jan. 1, 2018.

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

(Amends R.S. 47:6107(A)(2))