

SENATE COMMITTEE AMENDMENTS  
2017 Regular Session

Amendments proposed by Senate Committee on Revenue and Fiscal Affairs to Reengrossed House Bill No. 651 by Representative Broadwater

1 AMENDMENT NO. 1

2 On page 1, delete lines 2 through 13, and insert:

3 "To amend and reenact R.S. 47:227, 287.759(A), 297(B) and (G)(2), 297.6(A)(1)(a),  
4 6005(C)(1), 6013(A), 6020(D)(2)(a), 6034(C)(1)(a)(ii)(bb), (iii)(bb)(introductory paragraph),  
5 and (d)(ii), 6035(D), and 6037(B)(2)(b)(i) and (ii) and (c) all as amended by Section 2 of Act  
6 No. 125 of the 2015 Regular Session, R.S. 47:6022(D)(3)(introductory paragraph),  
7 6034(C)(1)(a)(ii)(aa), (4), and (K) and R.S. 51:2354(B)(introductory paragraph) and  
8 2399.3(A)(2)(b)(introductory paragraph) both as amended by Section 3 of Act No. 125 of  
9 the 2015 Regular Session, R.S. 51:2354(C), and Sections 7 and 8 of Act No. 125 of the 2015  
10 Regular Session of the Legislature, to enact R.S. 47:6022(D)(4) and 6034(C)(1)(a)(iii)(cc)  
11 and R.S. 51:2354(D) and 2399.3(A)(2)(c), and to repeal Sections 4, 5, and 6 of Act No. 125  
12 of the 2015 Regular Session of the Legislature, relative to income and corporate franchise  
13 tax credits; to restore the corporate income tax credit for state insurance premium tax paid;  
14 to reduce the amounts of certain credits; to provide for an annual credit cap for the musical  
15 and theatrical production income tax credit; to provide for the continued effectiveness of  
16 certain previous reductions; and to provide for related matters."

17 AMENDMENT NO. 2

18 On page 1, delete lines 15 through 19, and insert:

19 "Section 1. R.S. 47:227, 287.759(A), 297(B) and (G)(2), 297.6(A)(1)(a), 6005(C)(1),  
20 6013(A), 6020(D)(2)(a), 6034(C)(1)(a)(ii)(bb), (iii)(bb)(introductory paragraph), and (d)(ii),  
21 6035(D), and 6037(B)(2)(b)(i) and (ii) and (c) all as amended by Section 2 of Act No. 125  
22 of the 2015 Regular Session and R.S. 47:6022(D)(3)(introductory paragraph),  
23 6034(C)(1)(a)(ii)(aa), (4), and (K) are hereby amended and reenacted and R.S.  
24 47:6022(D)(4) and 6034(C)(1)(a)(iii)(cc) are hereby enacted to read as follows:

25 "§227. Offset against tax  
26 Every insurance company shall be entitled to an offset against any tax  
27 incurred under this Chapter, in the amount of any taxes, based on premiums, paid by  
28 it during the preceding twelve months, by virtue of any law of this state. ~~Beginning~~  
29 ~~on and after July 1, 2015, the offset shall be equal to seventy-two percent of the~~  
30 ~~amount of any taxes, based on premiums.~~  
31 \* \* \*"

32 AMENDMENT NO. 3

33 On page 6, between lines 14 and 15, insert:

34 "(ii)(aa) For state-certified infrastructure projects that receive initial  
35 certification on or before January 1, 2014, a base investment credit may be earned  
36 for expenditures made in the state on or before January 1, 2015, for the construction,  
37 repair, or renovation of a state-certified musical or theatrical facility infrastructure  
38 project or for investments made by a company or a financier in such infrastructure  
39 project which are, in turn, expended for such construction, repair, or renovation, not  
40 to exceed ten million dollars per state-certified infrastructure project, under  
41 conditions provided for in this Item. ~~No more than sixty million dollars in tax credits~~  
42 ~~under this Section shall be granted for infrastructure projects per year.~~

43 (bb)(I) For state-certified higher education musical or theatrical infrastructure  
44 projects that receive initial certification before July 1, 2015, a base investment credit  
45 may be earned for expenditures made in the state on or before January 1, 2022, for

1 the construction, repair, or renovation of a new state-certified higher education  
 2 musical or theatrical facility infrastructure project, or for investments made by a  
 3 company or a financier in such infrastructure project that are, in turn, expended for  
 4 such construction, repair, or renovation. ~~No more than ten million dollars in tax~~  
 5 ~~credits per project or sixty million dollars total in tax credits shall be granted for~~  
 6 ~~state-certified higher education musical or theatrical infrastructure projects for~~  
 7 ~~projects that receive initial certification before July 1, 2015.~~ Twenty-five percent of  
 8 the total base investment provided for in the initial certification letter of a state-  
 9 certified higher education musical or theatrical infrastructure project must be  
 10 expended on or before January 1, 2020, in order for the project to earn credits for the  
 11 remaining estimated base investment provided for in the initial certification letter,  
 12 as expenditures are made in the state on or before January 1, 2022. No credits shall  
 13 be certified until the state-certified higher education musical or theatrical  
 14 infrastructure project is complete. The initial certification letter shall be effective for  
 15 qualified expenditures made no more than six months prior to the date of application.  
 16 State-certified higher education musical or theatrical infrastructure projects shall not  
 17 be subject to the provisions of Subitem (cc) of this Item nor shall such projects be  
 18 subject to the provisions of Subsection H of this Section.

19 (II) For state-certified higher education musical or theatrical infrastructure  
 20 projects that receive initial certification on or after July 1, 2015 and on or before  
 21 January 1, 2018, a base investment credit may be earned for expenditures made in  
 22 the state on or before January 1, 2022, for the construction, repair, or renovation of  
 23 a new state-certified higher education musical or theatrical facility infrastructure  
 24 project, or for investments made by a company or a financier in such infrastructure  
 25 project that are, in turn, expended for such construction, repair, or renovation. ~~No~~  
 26 ~~more than seven million two hundred thousand dollars in tax credits per project or~~  
 27 ~~forty-three million two hundred thousand dollars total in tax credits shall be granted~~  
 28 ~~for state-certified higher education musical or theatrical infrastructure projects that~~  
 29 ~~receive initial certification on or after July 1, 2015.~~ Twenty-five percent of the total  
 30 base investment provided for in the initial certification letter of a state-certified  
 31 higher education musical or theatrical infrastructure project must be expended on or  
 32 before January 1, 2020, in order for the project to earn credits for the remaining  
 33 estimated base investment provided for in the initial certification letter, as  
 34 expenditures are made in the state on or before January 1, 2022. No credits shall be  
 35 certified until the state-certified higher education musical or theatrical infrastructure  
 36 project is complete. The initial certification letter shall be effective for qualified  
 37 expenditures made no more than six months prior to the date of application. State-  
 38 certified higher education musical or theatrical infrastructure projects shall not be  
 39 subject to the provisions of Subitem (cc) of this Item nor shall such projects be  
 40 subject to the provisions of Subsection H of this Section."

41 AMENDMENT NO. 4

42 On page 7, between lines 3 and 4, insert:

43 "(III) If the total base investment is greater than one million dollars, a  
 44 company shall be allowed a tax credit of eighteen percent of the base investment  
 45 made by that company."

46 AMENDMENT NO. 5

47 On page 7, between lines 15 and 16, insert:

48 \*\* \* \*

49 (4)(a) Beginning July 1, 2017, the total amount of tax credits granted by the  
 50 department pursuant to the provisions of this Section in any fiscal year shall not  
 51 exceed ten million dollars.

52 (b) For applications received on or after July 1, 2017, no more than one  
 53 million dollars in tax credits shall be granted per project.

54 (c) The granting of credits under this Section shall be on a first-come, first-  
 55 served basis, with fifty percent of total tax credits available to be granted annually

1 reserved for state-certified musical or theatrical productions by approved nonprofit  
2 organizations, as further provided by rules promulgated by the department. If the  
3 total amount of credits applied for in any particular year exceeds the aggregate  
4 amount of tax credits allowed for that year, the excess shall be treated as having been  
5 applied for on the first day of the subsequent year. If the total amount of credits  
6 granted in any fiscal year is less than the amount available to be granted, any residual  
7 credit remaining shall be available to be granted in subsequent fiscal years.

8 \* \* \*

9 ~~K. Commencing no later than January 31, 2016, the House Committee on~~  
10 ~~Ways and Means and the Senate Committee on Revenue and Fiscal Affairs shall~~  
11 ~~review the credit authorized pursuant to the provisions of this Section to determine~~  
12 ~~if the economic benefit provided by such credit outweighs the loss of revenue~~  
13 ~~realized by the state as a result of awarding such credit. The House and Senate~~  
14 ~~committees shall make a specific recommendation no later than March 1, 2017, to~~  
15 ~~either continue the credit or to terminate the credit. No credit shall be granted~~  
16 ~~pursuant to this Section for applications received on or after July 1, 2025."~~

17 AMENDMENT NO. 6

18 On page 8, delete lines 25 through 27, and insert:

19 "Section 2. R.S. 51:2354(B)(introductory paragraph) and  
20 2399.3(A)(2)(b)(introductory paragraph) both as amended by Section 3 of Act No. 125 of  
21 the 2015 Regular Session and R.S. 51:2354(C) are hereby amended and reenacted and R.S.  
22 51:2354(D) and 2399.3(A)(2)(c) are hereby enacted to read as follows:"