
DIGEST

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HB 586 Original

2019 Regular Session

Jimmy Harris

Abstract: Authorizes an enhanced Angel Investor tax credit for investments made in Louisiana Entrepreneurial Businesses located in federally established opportunity zones.

Present law establishes the Angel Investor Tax Credit program which authorizes a 25% income or corporate franchise tax credit on investments in Louisiana small businesses that are certified by Louisiana Economic Development as "Louisiana Entrepreneurial Businesses."

Present law limits the total amount of credits granted under the program to \$3.6 million per year but authorizes the department to carry forward residual unused credits in any calendar year to subsequent calendar years without regard to the annual credit cap.

Proposed law retains present law and authorizes an enhanced tax credit equal to 35% of the amount of the investment made in Louisiana Entrepreneurial Businesses located in federally established opportunity zones. The credit shall be divided into equal portions over three years.

Proposed law establishes a cap of \$3.6 million per calendar year for the enhanced tax credit which is in addition to the \$3.6 million per year cap on Angel Investor tax credits thereby establishing a total program cap of \$7.2 million per calendar year.

Present law prohibits credits from being granted or reserved under the program for applications received on or after July 1, 2021.

Proposed law extends the sunset of the program from July 1, 2021 to July 1, 2025.

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

(Amends R.S. 47:6020(G); Adds R.S. 47:6020(H))