

2019 Regular Session

HOUSE BILL NO. 83

BY REPRESENTATIVES JIMMY HARRIS, BOUIE, BOURRIAQUE, DAVIS,
DUPLESSIS, HORTON, LACOMBE, LEGER, AND STOKES

TAX CREDITS: Extends the sunset of the tax credit for rehabilitation of historic structures to January 1, 2026, and limits the maximum amount of credits awarded in a calendar year

1 AN ACT

2 To amend and reenact R.S. 47:6019(A)(1)(a) and (C) and to enact R.S. 47:6019(A)(1)(e),
3 relative to tax credits; to provide for the tax credit for the rehabilitation of historic
4 structures for nonresidential property; to extend the sunset of the tax credit; to
5 provide for the maximum amount of credits granted per year; to provide for the
6 awarding of credits; to provide for an effective date; and to provide for related
7 matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:6019(A)(1)(a) and (C) are hereby amended and reenacted and
10 R.S. 47:6019(A)(1)(e) is hereby enacted to read as follows:

11 §6019. Tax credit; rehabilitation of historic structures

12 A.(1)(a) There shall be a credit against income and corporation franchise tax
13 for the amount of eligible costs and expenses incurred during the rehabilitation of a
14 historic structure located in a downtown development or a cultural district. The
15 amount of the credit shall equal twenty-five percent of the eligible costs and
16 expenses of the rehabilitation incurred prior to January 1, 2018, regardless of the
17 year in which the property is placed in service. The amount of the credit shall equal
18 twenty percent of the eligible costs and expenses of the rehabilitation incurred on or
19 after January 1, 2018, and before ~~January 1, 2022~~, January 1, 2026, regardless of the

1 year in which the property is placed in service. No credit is authorized pursuant to
2 this Section for expenses incurred on or after ~~January 1, 2022.~~ January 1, 2026.

3 * * *

4 (e) The maximum amount of credits awarded pursuant to the provisions of
5 this Section shall not exceed one hundred fifty million dollars per calendar year. The
6 granting of credits shall be on a first-come, first-served basis. If the total amount of
7 credits applied for in any particular calendar year exceeds the amount of tax credits
8 authorized for that year, the excess shall be treated as having been applied for on the
9 first day of the subsequent year. All requests received on the same business day shall
10 be treated as received at the same time, and if the aggregate amount of the requests
11 received on a single business day exceed the total amount of available tax credits, tax
12 credits shall be approved on a pro rata basis.

13 * * *

14 C. The provisions of this Section shall be effective for the taxable years
15 ending prior to ~~January 1, 2022.~~ January 1, 2026.

16 Section 2. This Act shall become effective upon signature by the governor or, if not
17 signed by the governor, upon expiration of the time for bills to become law without signature
18 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
19 vetoed by the governor and subsequently approved by the legislature, this Act shall become
20 effective on the day following such approval.

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)]

HB 83 Reengrossed

2019 Regular Session

Jimmy Harris

Abstract: Extends the sunset for the tax credit for the rehabilitation of nonresidential historic structures from Jan. 1, 2022 to Jan. 1, 2026, and limits the maximum amount of credits awarded in a calendar year to \$150 million.

Present law authorizes an income or corporation franchise tax credit for the amount of eligible costs and expense incurred during the rehabilitation of a historic structure located in a downtown development district or cultural district.

Present law provides that the amount of the credit shall equal 25% of eligible costs and expenses incurred prior to Jan. 1, 2018, and the amount of the credit shall equal 20% of eligible costs and expenses incurred on or after Jan. 1, 2018, but before Jan. 1, 2022. No credit is authorized for expenses incurred on or after Jan. 1, 2022.

Proposed law retains present law as it pertains to the amount of the credit but extends the eligibility date of expenses from before Jan. 1, 2022, to Jan. 1, 2026, and extends the sunset date of the program from taxable years ending prior to Jan. 1, 2022, to taxable years ending prior to Jan. 1, 2026.

Proposed law limits the maximum amount of tax credits awarded in a calendar year to \$150 million and provides for the granting of credits on a first-come, first-served basis. If the total amount of credits applied for in a calendar year exceeds the amount of tax credits authorized for that year, the excess shall be treated as having been applied for on the first day of the subsequent year. Further provides that all requests received on the same business day shall be treated as received at the same time, and if the aggregate amount of the requests received on a single business day exceed the total amount of available tax credits, tax credits shall be approved on a pro rata basis.

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

(Amends R.S. 47:6019(A)(1)(a) and (C); Adds R.S. 47:6019(A)(1)(e))

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Limit the maximum amount of tax credits awarded in a calendar year to \$150 million and provides for the awarding of tax credits on a first-come, first-served basis.