

DIGEST

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HB 480 Engrossed

2019 Regular Session

Davis

Abstract: Extends the research and development tax credit program from Dec. 31, 2021 to Dec. 31, 2025.

Present law authorizes an income and corporation franchise tax credit for certain taxpayers who employ 50 or more persons and claim a federal income tax credit for increasing research activities. This tax credit is also available for tax payers who employ fewer than 50 employees if the employer meets certain eligibility requirements.

Present law authorizes the following credits as a percentage of increased research expenses for a taxpayer who employs the following number of employees:

Number of Employees	Tax Credit
100 or more	5%
50-99	10%
fewer than 50	30%

Present law prohibits the payment of credits for research expenditures incurred, Small Business Technology Transfer Program funds received or Small Business Innovation Research Grant funds received after Dec. 31, 2021.

Proposed law extends the sunset of the program from Dec. 31, 2021 to Dec. 31, 2025.

Effective Jan. 1, 2020.

(Amends R.S. 47:6015(J))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Extend the duration of the tax credit program from Dec. 31, 2023 to Dec. 31, 2025.
2. Delete proposed law provisions to increase the amount of the percentage of the tax credit for a taxpayer who employs fewer than 50 employees.
3. Delete proposed law provisions to increase the amount of the Small Business Innovation Research Grant tax credit.
4. Delete proposed law authorization to extend the transfer of the tax credit to employers who employ fewer than 50 persons and meet other eligibility requirements.