

2020 First Extraordinary Session

SENATE BILL NO. 4

BY SENATOR FOIL

TAX/FRANCHISE/CORPORATE. Extends the sunset of the research and development tax credit. (Item #19) (1/1/21)

1 AN ACT

2 To amend and reenact R.S. 47:6015(J), relative to the research and development tax credit;
3 to extend the duration for eligibility for the tax credit; to provide for an effective
4 date; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:6015(J) is hereby amended and reenacted to read as follows:

7 §6015. Research and development tax credit

8 * * *

9 J. No credit shall be allowed pursuant to this Section for research
10 expenditures incurred, Small Business Technology Transfer Program funds received,
11 or Small Business Innovation Research Grant funds received after December 31,
12 ~~2021~~ 2025.

13 * * *

14 Section 2. This Act shall become effective on January 1, 2021.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Leonore Heavey.

DIGEST

SB 4 Engrossed

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Foil

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 taxpayers 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 January 1, 2021.

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