

GREEN SHEET REDIGEST

HB 19

2020 First Extraordinary Session

Pressly

TAX/TAX REBATES: Extends eligibility requirements for certain industries to participate in the Quality Jobs Program. (Item #18)

DIGEST

Present law establishes the Quality Jobs Program (program) which authorizes eligible businesses to enter into contracts with the Board of Commerce and Industry to receive payroll, sales and use tax, or project facility expense tax rebates in exchange for the creation of certain jobs or promotion of other economic development. Present law provides for eligibility and qualifications for participation in the program.

Present law allows certain employers such as businesses involved in biotechnology, manufacturing, the oil and gas industry, and the maintenance and repair of commercial transport aircraft to participate in the program. Present law further allows employers that are the corporate headquarters of multi-state businesses, businesses that spend more than 50% of their time performing services for an out-of-state parent company, have a certain threshold of out-of-state sales, or are located within a parish identified as being part of the lowest 25% of per capita income to participate in the program.

Proposed law retains present law but expands eligibility for participation in the program to businesses that have no more than 50 employees nationwide including affiliates on the date of the filing of the advance notification and which is assigned a North American Industry Classification Code of 44, 45, 721, or 722 for retailers, hotels, and restaurants. Further requires those businesses to file or enter into an advance notification on or after July 1, 2020, and on or before Dec. 31, 2021, in order to be eligible to participate in the program.

Proposed law prohibits businesses added by proposed law from participating in the program after June 30, 2023.

Effective July 1, 2020.

(Amends R.S. 51:2453(2)(c)(i); adds R.S. 51:2453(2)(b)(ix))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the engrossed bill

1. Limits the retail and hospitality components of the Quality Jobs Program to those employers with 50 or fewer employees on the date of the filing of the advance notification.
2. Changes the sunset date for businesses participating in the program from June 30, 2025 to June 30, 2023.