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

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DIGEST

SB 1 Original

2020 Second Extraordinary Session

Ward

Present law provides an income and franchise tax credit for local ad valorem taxes on inventory paid.

Present law authorizes a refund of the credit for ad valorem taxes on inventory paid for certain small businesses and a nonrefundable income and franchise tax credit for larger businesses.

Present law provides that the nonrefundable portion of the tax credit may be carried forward for a maximum of five years.

Proposed law removes the five-year carryforward period and allows taxpayers to carry forward the tax credit until the tax credit balance is exhausted.

Effective January 1, 2021.

(Amends R.S. 47:6006(B)(1), (3), and (4))