2021 Regular Session

HOUSE BILL NO. 117

BY REPRESENTATIVE ECHOLS

TAX CREDITS: Establishes an income tax credit for certain foster care expenses

1	AN ACT	
2	To enact R.S. 47:297.16, relative to income tax credits; to establish an income tax credit for	
3	certain foster care expenses; to provide for definitions; to provide for the amount of	
4	the credit; to provide for certain requirements and limitations; to provide for	
5	applicability; to provide for an effective date; and to provide for related matters.	
6	Be it enacted by the Legislature of Louisiana:	
7	Section 1. R.S. 47:297.16 is hereby enacted to read as follows:	
8	<u>§297.16. Tax credit; foster care giver</u>	
9	A. There shall be allowed a credit against the tax imposed by this Chapter	
10	for a foster care giver who provides a residence for a child in the custody of the	
11	department. In order to qualify for the credit, the foster care giver claiming the credit	
12	shall provide a residence for the child for no less than eight months in a calendar	
13	year. The amount of the credit shall be equal to five thousand four hundred seventy-	
14	five dollars per year for each child for whom the foster care giver claiming the credit	
15	provides a residence.	
16	B. For purposes of this Section, the following words shall have the following	
17	meanings unless the context clearly indicates otherwise:	
18	(1) "Child" shall mean a person under eighteen years of age who has not	
19	been emancipated either judicially or by marriage.	

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1	(2) "Department" shall mean the Department of Children and Family
2	Services.
3	(3) "Foster care giver" shall mean an individual who is, or a couple who are,
4	certified as a foster parent by the department or a relative, fictive kin, or other
5	suitable individual approved and supervised by the department for the provision of
6	substitute care for a child in the custody of the department.
7	C. If the amount of the credit authorized pursuant to the provisions of this
8	Section exceeds the amount of the tax liability for that year of the taxpayer claiming
9	the credit, the excess credit amounts may be carried forward as a credit against
10	subsequent Louisiana income tax for a period not to exceed five years.
11	Section 2. The provisions of this Act shall be applicable to tax years beginning on
12	or after January 1, 2022.
13	Section 3. This Act shall become effective upon signature by the governor or, if not
14	signed by the governor, upon expiration of the time for bills to become law without signature
15	by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
16	vetoed by the governor and subsequently approved by the legislature, this Act shall become
17	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)]

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Abstract: Establishes an income tax credit equal to \$5,475 per child, per year for a foster care giver who provides a residence for a child in the custody of the Dept. of Children and Family Services (DCFS) for no less than eight months during a calendar year.

<u>Proposed law</u> provides for an income tax credit for a foster care giver who provides a residence for no less than eight months during the calendar year for a child in the custody of DCFS. The amount of the credit shall equal \$5,475 per year for each child for whom the foster care giver claiming the credit provides a residence.

<u>Proposed law</u> defines a "child" as a person under 18 years old who has not been emancipated either judicially or by marriage.

<u>Proposed law</u> defines "foster care giver" as an individual who is, or a couple who are, certified as a foster parent by DCFS or a relative, fictive kin, or other suitable individual

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

approved and supervised by DCFS for the provision of substitute care for a child in the custody of the department.

<u>Proposed law</u> provides that if the amount of the credit exceeds the taxpayer's tax liability for that year, the excess credit amounts may be carried forward as a credit against subsequent La. income tax for a period not to exceed five years.

Proposed law is applicable to tax years beginning on or after Jan. 1, 2022.

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

(Adds R.S. 47:297.16)