

2021 Regular Session

SENATE BILL NO. 51

BY SENATORS CARTER AND TARVER

TAX/TAXATION. Creates an individual income tax credit for teachers and early childhood educators. (gov sig)

1 AN ACT

To enact R.S. 47:297.16, relative to individual income tax credits; to provide for a tax credit for elementary and secondary school teachers; to provide a tax credit for early childhood educators; to provide for refundability; to provide for effectiveness; 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:

§297.16. Tax credit for certain educators

A.(1) For taxable years beginning on and after January 1, 2021, there

10 shall be allowed a credit against the individual income tax liability of a taxpayer
11 who is a teacher as defined by this Section.

(2) In the case of a joint return, if both taxpayers meet the definition of teacher, each taxpayer is eligible to claim the credit.

(a) Holds a valid Louisiana teaching certificate issued by the state Department of Education and teaches in this state at either a public elementary

1 or secondary school, a public elementary or secondary laboratory school that
2 is operated by a public college or university, or a nonpublic elementary or
3 secondary school approved by the State Board of Elementary and Secondary
4 Education.

5 (b) Holds a current early childhood ancillary certificate issued by the
6 Department of Education and is employed by an early learning center licensed
7 by the Department of Education.

8 B. The amount of the credit shall be one thousand dollars per year. If the
9 amount of the credit authorized pursuant to this Section exceeds the amount of
10 tax liability for the tax year, the excess shall constitute an overpayment, as
11 defined in R.S. 47:1621(A), and the secretary shall make a refund of the
12 overpayment from the current collections of the taxes imposed by Chapter 1 or
13 Chapter 5 of Subtitle II of this Title, together with interest as provided in
14 R.S. 47:1624.

15 C. The secretary of the Department of Revenue may promulgate rules
16 and regulations in accordance with the Administrative Procedure Act as well
17 as forms and instructions that may include a requirement that taxpayers submit
18 documentation with their returns or to specifically retain records that will
19 enable the department to determine the taxpayer's eligibility for, and amount
20 of, the tax credit claimed pursuant to this Section.

21 Section 2. This Act shall become effective upon signature by the governor or, if not
22 signed by the governor, upon expiration of the time for bills to become law without signature
23 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
24 vetoed by the governor and subsequently approved by the legislature, this Act shall become
25 effective on the day following such approval.

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

DIGEST
SB 51 Original 2021 Regular Session Carter

Proposed law authorizes a \$1,000 annual individual income tax credit for teachers.

Proposed law defines "teacher" as an individual who holds a valid Louisiana teaching certificate issued by the state DOE who teaches in this state at:

- (1) A public elementary or secondary school.
- (2) A public elementary or secondary laboratory school that is operated by a public college or university.
- (3) A nonpublic elementary or secondary school approved by BESE.

Proposed law further defines "teacher" as an individual who holds a current early childhood ancillary certificate issued by the DOE and are employed by an early learning center licensed by the DOE.

Proposed law provides that joint return filers may claim two teacher credits if both meet the definition of teacher.

Proposed law authorizes a refund for the portion of the credit that exceeds the taxpayer's income tax liability.

Proposed law authorizes the secretary of revenue to issue regulations, forms, and instructions that may include documentation requirements necessary to determine a taxpayer's eligibility for the teacher tax credit.

Effective upon signature of the governor.

(Adds R.S. 47:297.16)