

- (8) "TEU" shall mean 20 foot equivalent unit, which is a standard measurement in shipping volumes in units of 20 foot long containers.

Proposed law requires an applicant for port credits to meet all of the following criteria:

- (1) Be a port facility user who imports more than 50 TEUs of cargo through Louisiana public ports.
- (2) File an application for port credits with the Dept. of Economic Development.
- (3) Increase its imported cargo volumes by at least 105% during its port credit incentive period as compared to imported cargo volumes during its base cargo volume period.

Proposed law prohibits recipients of port credits from being eligible for import-export cargo tax credits and prohibits recipients of import-export cargo tax credits from being eligible for port credits.

Proposed law requires port facility users seeking port credits to file applications on forms prescribed by the Dept. of Economic Development. Applications will be accepted on or after September 1, 2021, until port credits are no longer available.

Proposed law provides eligible applicants may be awarded port credits of up to \$50 per TEU of actual cargo volumes imported through a public port of the state during its port credit incentive period in excess of the applicant's base cargo volume of cargo imports through the applicable public port for the applicant's base cargo volume period.

Proposed law provides that port credit allocations are conditional and may be awarded based on procedures adopted by the Dept. of Economic Development by rule.

Proposed law provides that port credits are earned based upon actual cargo volumes transiting the applicable public port during the port credit incentive period and the certification of actual cargo volumes as set forth in proposed law.

Proposed law prohibits a port facility user that is awarded port credits from claiming more port credits than are approved by the Dept. of Economic Development.

Proposed law requires calculation of base cargo volumes to be supported by records from the applicable public port facility confirming the total amount of imported cargo volumes in TEUs for the applicant during the three-year period immediately preceding the port facility user's application.

Proposed law requires applicants that are new port facility users to propose a base cargo volume, subject to approval by the Dept. of Economic Development.

Proposed law requires the port facility user to file a certification of cargo volume on a form prescribed by Department of Economic Development within 90 days of the end of the port credit incentive period.

Proposed law provides that certifications postmarked after the deadline will not be accepted unless the port facility user receives approval for late submission from Dept. of Economic Development prior to the deadline.

Proposed law authorizes port credits to be allocated by the governor and awarded by the Dept. of Economic Development pursuant to a project agreement between the state and a port facility user.

Proposed law authorizes a port facility user to be awarded port credits by entering into a project agreement with the Dept. of Economic Development in an amount of up to \$100 per TEU imported through public ports of the state during a three year period, as defined in the project agreement, subject to the following:

- (1) A port facility user seeking an award of port credits by project agreement shall file an application with the Dept. of Economic Development on a form prescribed by the Dept. of Economic Development for project agreement port credits before commencement of the project.
- (2) The Dept. of Economic Development may approve an award of port credits based on the actual cargo volume in TEUs of imported cargo by a port facility user according to the terms set forth in an executed project agreement.

Proposed law provides that a port facility user's eligibility to earn port credits by project agreement is contingent upon execution and delivery of a project agreement between the state and the port facility user.

Proposed law prohibits a port facility user that is awarded port credits by project agreement from claiming more port credits than are approved by the Dept. of Economic Development.

Proposed law provides that port credits may be applied against an approved company's Louisiana income tax liability for the tax year containing the last day of the port credit incentive period.

Proposed law provides that port credits are not refundable or transferable, but any unused credit may be carried forward for up to five years.

Proposed law authorizes the Department of Economic Development to promulgate rules and regulations to implement the provisions of proposed law.

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

(Adds R.S. 47:6036.1)