

1 interest of this state to promote the development of public infrastructure
2 projects that are funded through a partnership of the private sector and state
3 and local governmental entities in Louisiana.

4 B. Infrastructure and Jobs Creation Tax Credit; sale and utilization of
5 credits

6 (1)(a) There is hereby authorized an Infrastructure and Jobs Creation
7 Tax Credit that can be used to offset income and corporate franchise taxes or
8 insurance premium taxes. The tax credits may be sold by the Department of
9 Revenue.

10 (b) The total aggregate amount of credits sold by the Department of
11 Revenue in accordance with the provisions in this Section shall not exceed
12 fifty-five million dollars over the life of the program.

13 (c) Tax credits sold by the Department of Revenue shall remain in effect
14 until utilized.

15 (d) Tax credits sold by the Department of Revenue shall become
16 available to offset Louisiana state tax liability at the rate of one-sixth of the
17 value of the tax credits in each of the tax years 2027 through 2032.

18 (2) Administration of credits

19 (a) Tax credit carry-forward or repurchase. If the tax credit allowed
20 pursuant to this Section for a tax period exceeds the amount of taxes due for the
21 tax period, then the taxpayer or owner may:

22 (i) Carry-forward the unused amount of tax credits to offset future tax
23 liability; or

24 (ii) Make a written request to the secretary of the Department of
25 Revenue for the repurchase of those unused tax credits. The secretary of the
26 Department of Revenue shall repurchase the tax credits at the original purchase
27 price paid for those tax credits if a request is made by the purchaser.

28 (3) The secretary of the Department of Revenue may promulgate rules
29 and regulations in accordance with the Administrative Procedure Act as are

1 necessary to implement the provisions of this Section regarding the sale and
2 utilization of the tax credit.

3 C. Infrastructure and Jobs Creation Fund

4 (1) The avails of the sale of the tax credits pursuant to this Section shall
5 be credited to the Bond Security and Redemption Fund as provided in Article
6 VII, Section 9(B) of the Constitution of Louisiana, and after a sufficient amount
7 is allocated from that fund to pay all of the obligations secured by the full faith
8 and credit of the state which become due and payable within any fiscal year, the
9 treasurer shall pay the remainder of the avails into a special fund that is hereby
10 created in the state treasury and designated as the "Infrastructure and Jobs
11 Creation Fund".

12 (2) Monies in the fund shall be subject to annual appropriation to the
13 Department of Economic Development to fund Infrastructure and Jobs
14 Creation Grants for the development of public-private partnership investment
15 and infrastructure projects in Louisiana.

16 (3) All unexpended and unencumbered monies in the fund shall remain
17 in the fund. The monies in the fund shall be invested by the treasurer in the
18 same manner as the monies in the state general fund, and all interest earned
19 shall be deposited into the fund.

20 D. Infrastructure and Jobs Creation Grants

21 (1) The Department of Economic Development may award
22 Infrastructure and Jobs Creation Grants for qualifying projects.

23 (2) No grant for a qualifying project shall exceed two and one half
24 million dollars per tax year.

25 (3) All qualifying projects shall result in a significant positive economic
26 benefit to the state. The Department of Economic Development shall take the
27 following factors into consideration when determining which projects qualify
28 for a grant:

29 (a) The economic impact of the qualifying project on similar or existing

1 publicly owned or privately owned projects located within fifty miles of the
2 qualifying project.

3 (b) The impact of the qualifying project on the immediate and long-term
4 objectives of the tax credit provided for the investment.

5 (c) The impact of the qualifying project on the employment of Louisiana
6 residents.

7 (d) The impact of the qualifying project on the overall economy of the
8 state.

9 (e) The availability of similar infrastructure or facilities within fifty miles
10 of the proposed qualifying project.

11 (4) An applicant for the grant shall submit an application to the
12 Department of Economic Development that includes the following information:

13 (a) A preliminary budget including the actual or, if not known, the
14 estimated capital costs of the qualifying project and the qualifying project's
15 estimated Louisiana payroll.

16 (b) A detailed description of the qualifying project.

17 (c) A statement that the proposed project will qualify as a qualifying
18 project.

19 (d) Estimated start and completion dates. The estimated start date shall
20 include the estimated date on which the acquisition, construction, installation,
21 or equipping of the qualifying project was commenced or is expected to
22 commence.

23 (e) The name of each investing company or the name or names of its
24 shareholders, partners, members, owners, or beneficiaries that will be entitled
25 to the grant.

26 (f) Any other information required by the Department of Economic
27 Development.

28 (5) If the application is incomplete additional information may be
29 requested prior to further action by the Department of Economic Development.

Proposed law provides that tax credits granted by the Department of Revenue become available to offset Louisiana state tax liability at the rate of 1/6 of the value of the tax credits in each of the tax years 2027-2032.

Proposed law authorizes the owner of the credits to carry-forward the unused amount of tax credits to offset future tax liability or request the secretary of the Department of Revenue to repurchase those unused tax credits.

Proposed law requires the secretary of the Department of Revenue to repurchase the tax credits at the original purchase price paid for those tax credits if a request is made by the purchaser in the event that the taxpayer is unable to utilize the credits.

Proposed law authorizes the secretary of the Department of Revenue to promulgate rules regarding the sale and utilization of the tax credit.

Proposed law creates the Infrastructure and Jobs Creation Fund within the state treasury to be used by the Department of Economic Development to fund grants for the development of public-private partnership investment and infrastructure projects in Louisiana.

Proposed law authorizes the Department of Economic Development to award Infrastructure and Jobs Creation Grants of up to two and one half million dollars per tax year for qualifying projects and provides for grant qualifications and application requirements.

Proposed law requires investing companies to submit cost reports of project expenditures and project completion reports to the Department of Economic Development.

Proposed law authorizes the secretary of the Department of Economic Development to promulgate rules regarding the grants.

Proposed law defines the following terms:

- (1) "Qualifying project" means projects undertaken by investing companies for the development of public-private partnership investment and infrastructure projects.
- (2) "Significant positive economic benefit" means net positive tax revenue that shall be determined by taking into account direct, indirect, and induced impacts of the project based on a standard economic impact methodology and any other state tax and financial incentives that are used by the Department of Economic Development to secure the project.

Effective August 1, 2021.

(Adds R.S. 47:6042)