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

DIGEST 2021 Regular Session

SB 237 Original

Foil

<u>Proposed law</u> creates the Infrastructure and Jobs Creation Tax Credit Program for the purpose of establishing a tax credit program to fund the development of grants for public-private partnership investment and infrastructure projects in Louisiana.

<u>Proposed law</u> authorizes an Infrastructure and Jobs Creation Tax Credit that can be used to offset income and corporate franchise taxes or insurance premium taxes.

<u>Proposed law</u> authorizes the Department of Revenue to sell tax credits and limits the total aggregate amount of credits sold to fifty-five million dollars over the life of the program.

<u>Proposed law</u> 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.

<u>Proposed law</u> 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.

<u>Proposed law</u> 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.

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

<u>Proposed law</u> 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.

<u>Proposed law</u> 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.

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

<u>Proposed law</u> 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)