
DIGEST

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HB 637 Original

2023 Regular Session

Mincey

Abstract: Establishes a non-refundable income or corporation franchise tax credit for the employment of eligible students as interns in work-based programs designed to incorporate on-the-job training in high-wage, high-demand industry sectors.

Proposed law provides for the establishment of a non-refundable income or corporation franchise tax credit for a company that employs eligible students as interns in a work-based program designed to educate the student in a classroom setting as well as incorporate on-the-job training in high-wage, high-demand industry sectors. The amount of the credit shall equal the amount paid per internship per calendar year up to a maximum amount of \$2,500 per intern.

Proposed law defines an "eligible student" as a full-time student attending a public secondary school in La. who is no less than 16 years of age at the time of the commencement of an internship.

Proposed law provides that if the tax credit earned for the taxable period exceeds the amount of taxes due, the taxpayer may carry forward the unused portion as a credit for future tax liabilities for up to five years. Proposed law prohibits the amount of the tax credit applied by a taxpayer in a taxable period to exceed the amount of taxes due from the taxpayer for that taxable period.

Proposed law provides for application of the tax credit on tax returns as well as the recovery of credits disallowed by the Dept. of Revenue.

Proposed law prohibits credits from being granted for the employment of eligible students on or after Dec. 31, 2029.

Proposed law is applicable to taxable years beginning on or after Jan. 1, 2024.

Effective Jan. 1, 2024.

(Adds R.S. 47:6034)