SLS 23RS-295 **ENGROSSED**

2023 Regular Session

SENATE BILL NO. 79

BY SENATOR LUNEAU

TAX/TAXATION. Provides relative to expenditures utilized to claim income and franchise tax credits. (gov sig)

| 1 | AN ACT |
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| 2 | To enact R.S. 47:1675(A)(7), relative to income and corporation franchise tax credits; to |
| 3 | provide relative to expenditures utilized to claim income and corporation franchise |
| 4 | tax credits; to prohibit the claiming of expenditures for multiple credits, rebates, or |
| 5 | incentives; to provide for applicability; to provide for effectiveness; and to provide |
| 6 | for related matters. |
| 7 | Be it enacted by the Legislature of Louisiana: |
| 8 | Section 1. R.S. 47:1675(A)(7) is hereby enacted to read as follows: |
| 9 | §1675. General administrative provisions for credits against income and corporation |
| 10 | franchise tax |
| 11 | A. Unless specifically provided for herein or in the statute granting the credit |
| 12 | against income or corporation franchise tax: |
| 13 | * * * |
| 14 | (7)(a) Notwithstanding any other provision to the contrary, expenditures |
| 15 | utilized to claim any state tax credit or rebate shall not be utilized for the |
| 16 | purpose of qualifying for any other state credit, rebate, exemption, exclusion, |
| 17 | or deduction. |

SB NO. 79 1 (b) This Paragraph shall not apply to incentives administered by the 2 Department of Economic Development. 3

Section 2. The provisions of this Act shall be applicable to all taxable periods beginning on or after January 1, 2023.

Section 3. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become 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 Danielle Clapinski.

DIGEST 2023 Regular Session

SB 79 Engrossed

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Luneau

Present law provides for the general administrative provisions for credits against income and corporation franchise tax.

Proposed law prohibits the claiming of expenditures utilized to claim a credit or rebate from being utilized for purposes of qualifying for any other state credit, rebate, exemption, exclusion or deduction and otherwise retains present law. Further provides that the provision shall not apply to incentives administered by the Department of Economic Development.

Applicable to all taxable periods beginning on or after January 1, 2023.

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

(Adds R.S. 47:1675(A)(7))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

- 1. Clarifies that an expenditure utilized to claim any state credit or rebate shall not be used for the purpose of qualifying for any other state credit, rebate, exemption, exclusion or deduction.
- 2. Exempts incentives administered by the Department of Economic Development from the provisions of proposed law.