
DIGEST

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HB 216 Engrossed

2024 Regular Session

Jackson

Abstract: Authorizes tax rebates for certain employers for wages paid to youth employees during summer employment.

Proposed law authorizes a tax rebate for wages paid by a qualifying employer to an eligible youth.

Proposed law defines "eligible youth" as an individual who meets all of the following qualifications:

- (1) He is a La. resident on his date of hire.
- (2) He has attained the age of 16 but not yet attained the age of 24 as of his date of hire.
- (3) He is unemployed immediately prior to being hired by a qualifying employer.
- (4) He works at least 20 hours per week with a qualifying employer for at least six consecutive weeks between May 15 and Aug. 31.
- (5) During the course of his employment with a qualifying employer, he participates in or registers for occupational skills training with either of the following:
 - (a) A youth employment program offered through the La. Workforce Investment Council or an American Job Center.
 - (b) A local, regional, national, or international nonprofit organization that assists individuals in finding employment and provides job training programs and services for youth and adults.
- (6) He was enrolled in a secondary school in La. in the semester prior to his summer employment with a qualifying employer and had a grade point average for that semester of at least 2.00 on a 4.00 scale; or he is at least 18 years old, is no longer in school, and does not have a high school diploma, HiSET or GED credential, or high school equivalency diploma.

Proposed law defines "qualifying employer" as a business that meets all of the following qualifications:

- (1) It is a sole proprietorship, partnership, corporation, association, company, firm, organization, or other person or entity that files a La. income tax return.

- (2) It participated in the Incumbent Worker Training Program of the La. Workforce Commission in the calendar year in which it employed an eligible youth.

Proposed law defines "full-time position", "full-time employment", "part-time position", "part-time employment", and "low-income census tract" for purposes of proposed law.

Proposed law provides that the amount of the rebate shall be:

- (1) \$400 for each eligible youth who does not reside in a low-income census tract and is employed by the qualifying employer in a part-time position.
- (2) \$600 for each eligible youth who resides in a low-income census tract and is employed by the qualifying employer in a part-time position.
- (3) \$800 for each eligible youth who does not reside in a low-income census tract and is employed by the qualifying employer in a full-time position.
- (4) \$1,200 for each eligible youth who resides in a low-income census tract and is employed by the qualifying employer in a full-time position.

Proposed law sets the following limits on total rebate amounts that may be granted to qualifying employers in any calendar year:

- (1) \$2,400 for a qualifying employer with less than 250 employees.
- (2) \$4,800 for a qualifying employer with at least 250 employees but less than 500 employees.
- (3) \$12,000 for a qualifying employer with 500 employees or more.

Proposed law limits to \$3,000,000 the overall total of rebates that the state may grant annually pursuant to proposed law. Provides that rebates shall be granted on a first-come, first served basis.

Proposed law requires that the rebate program be administered by the Dept. of Revenue, referred to hereafter as the "department". Requires the department to promulgate all such administrative rules as are necessary to implement proposed law, including rules for the form and procedure for claiming a rebate.

Proposed law requires that on or before Jan. 31 annually, the La. Workforce Commission shall provide to the department all of the following, in electronic format, for the prior calendar year:

- (1) A list of all businesses that participated in the Incumbent Worker Training Program of the commission.
- (2) A list of all individuals who participated in or registered for occupational skills training with a youth employment program offered through the La. Workforce Investment Council or an

American Job Center.

Proposed law provides that the first year in which a business may qualify for a rebate authorized by proposed law, and in which rebates may be paid, is calendar year 2025. Requires the department to begin accepting applications for rebates on Sept. 1, 2025, and prohibits the department from accepting any rebate application after Oct. 31, 2029. Prohibits the department from paying any rebate authorized by proposed law after Dec. 31, 2029.

Proposed law stipulates that no taxpayer may receive any other state tax rebate, or any state tax credit, exemption, exclusion, or deduction, or other state tax benefit for employment of an eligible youth for which the taxpayer received a rebate in accordance with proposed law.

Proposed law provides that rebates previously paid to a taxpayer in accordance with proposed law, but later disallowed, may be recovered by the secretary of the department through any collection remedy authorized in present law.

Proposed law requires the department to pay the rebates authorized by proposed law from current collections of taxes imposed pursuant to present law.

Proposed law requires the secretary of the department to initiate the promulgation of all rules required by proposed law through the notice of intent process provided in present law prior to Nov. 1, 2024.

(Adds R.S. 47:6029)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Reduce the limit on the overall total of rebates that the state may grant annually pursuant to proposed law from \$5,000,000 to \$3,000,000.
2. Specify that among the conditions a person must satisfy in order to be deemed an "eligible youth" pursuant to proposed law, the person's residency status and age are those as of his date of hire.
3. Revise proposed law referring to a period of employment during the summer to specify that the period shall be between May 15 and Aug. 31.
4. Revise the definition of "low-income census tract" for purposes of proposed law to provide that the term means any census tract located wholly or partly within an enterprise zone as defined in present law (R.S. 51:1783).
5. Revise proposed law relative to claiming of rebates to provide instead for applying for

rebates electronically.

6. Require that on or before Jan. 31 annually, the La. Workforce Commission shall provide to the Dept. of Revenue all of the following, in electronic format, for the prior calendar year:
 - (a) A list of all businesses that participated in the Incumbent Worker Training Program of the commission.
 - (b) A list of all individuals who participated in or registered for occupational skills training with a youth employment program offered through the La. Workforce Investment Council or an American Job Center.
7. Delete proposed law providing that no taxpayer may receive any other incentive for employment of an eligible youth for which the taxpayer received a rebate in accordance with proposed law. Provide instead that no taxpayer may receive any other state tax rebate, or any state tax credit, exemption, exclusion, or deduction, or other state tax benefit for employment of an eligible youth for which the taxpayer received a rebate in accordance with proposed law.
8. Make technical changes.