

2025 Regular Session

HOUSE BILL NO. 475

BY REPRESENTATIVE FIRMENT

TAX CREDITS: Extends the sunset date of the tax credit for retaliatory taxes paid by certain domestic insurers

1 AN ACT

2 To amend and reenact R.S. 22:836(B)(introductory paragraph) and (9), relative to insurance  
3 premium tax credits; to extend the termination date of the credit; to provide for an  
4 effective date; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:836(B)(introductory paragraph) and (9) are hereby amended and  
7 reenacted to read as follows:

8 §836. Retaliatory taxes and fees; insurance premium tax credits for retaliatory taxes  
9 paid by certain domestic insurers

10 \* \* \*

11 B. A Louisiana domestic insurer that is authorized to write and does write  
12 insurance in Louisiana on an admitted basis and in at least one other state on an  
13 admitted basis ~~as of July 1, 2023~~, shall be allowed a refundable credit, subject to the  
14 limitation set forth in Paragraph (6) of this Subsection. The refundable credit shall  
15 offset insurance premiums taxes due on the Annual Premium Tax Return due March  
16 first each year.

17 \* \* \*

18 (9) No credit authorized pursuant to the provisions of this Subsection shall  
19 be granted for retaliatory taxes based upon insurance premiums written in other  
20 states after ~~December 31, 2029~~ December 31, 2034.

1 Section 2. This Act shall become effective upon signature by the governor or, if not  
2 signed by the governor, upon expiration of the time for bills to become law without signature  
3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
4 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
5 effective on the day following such approval.

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### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 475 Engrossed

2025 Regular Session

Firmment

**Abstract:** Extends the termination date of the insurance premium tax credit for retaliatory taxes paid by domestic insurers from Dec. 31, 2029 to Dec. 31, 2034.

Present law with regard to retaliatory fees, requires that when any other state imposes additional fees, taxes, or penalties on La. insurers doing business in another state, La. is required to impose the same additional fees, taxes, and penalties on the other states' insurers doing business in La. Present law further requires insurers organized under other state's laws that are admitted to transact business in La. to pay the same fees to the commissioner of insurance as the insurer would pay in the state in which the insurer is organized.

Present law provides for a refundable insurance premium tax credit for any La. domestic insurer (domestic insurer) that is authorized to write and does write insurance in this state and writes insurance in at least one other state. The amount of the credit is equal to the amount of any retaliatory tax paid to any other state for the period in which the retaliatory tax was paid. The credit shall be applied against the domestic insurer's state premium tax liability and any credit amount in excess of its premium tax liability shall be refunded to the domestic insurer.

Present law limits the maximum amount of credits that may be claimed by domestic insurers in any fiscal year to \$9M. However, if credits claimed exceed \$9M in any fiscal year, the commissioner shall make refunds on a pro rata basis to eligible domestic insurers based on the proportion of the total amount of retaliatory tax paid by each insurer for the relevant time period.

Present law prohibits a credit from being allowed for retaliatory taxes incurred or paid after Dec. 31, 2029.

Proposed law retains present law but extends the date for which a credit shall be allowed for retaliatory taxes incurred or paid from Dec. 31, 2029, to Dec. 31, 2034.

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

(Amends R.S. 22:836(B)(intro. para.) and (9))

#### Summary of Amendments Adopted by House

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

1. Removes provisions of proposed law that increased the maximum amount of insurance premium tax credits authorized to be claimed in a fiscal year for retaliatory taxes paid by domestic insurers from \$9M to \$25M.