

Regular Session, 2013

HOUSE BILL NO. 587

BY REPRESENTATIVE ROBIDEAUX

TAX CREDITS: Requires the termination of certain tax credits

1 AN ACT

2 To amend and reenact R.S. 47:6015(I), 6019(C), and 6105, to enact R.S. 47:6004(C),
3 6005(G), 6006(E), 6006.1(G), 6007(G), 6008(D), 6009(F), 6013(D), 6014(F),
4 6017(C), 6018(F), 6020(G), 6022(K), 6023(I), 6025(D), 6030(G), 6032(H), 6035(H),
5 6036(K), 6104(D), 6106(E), and 6107(C), and to repeal R.S. 47:6010, 6012, 6016,
6 6021, 6028, and 6037, relative to tax credits; provides relative to the sunset of certain
7 income tax credits under certain circumstances; to require certain reviews and reports
8 relative to tax credits; to terminate certain tax credits; to provide for an effective
9 date; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 47:6015(I), 6019(C), and 6105 are hereby amended and reenacted
12 and R.S. 47:6004(C), 6005(G), 6006(E), 6006.1(G), 6007(G), 6008(D), 6009(F), 6013(D),
13 6014(F), 6017(C), 6018(F), 6020(G), 6022(K), 6023(I), 6025(D), 6030(G), 6032(H),
14 6035(H), 6036(K), 6104(D), 6106(E), and 6107(C) are hereby enacted to read as follows:

15 §6004. Employer credit

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17 C. Beginning January 1, 2015, the House Committee on Ways and Means
18 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit
19 authorized pursuant to the provisions of this Section to determine if the economic
20 benefit provided by such credit outweighs the loss of revenue realized by the state

1 as a result of awarding such credit. The House and Senate Committee shall make a
2 specific recommendation no later than March 1, 2015, to either continue the credit
3 or to terminate the credit. The credit provided for pursuant to the provisions of this
4 Section shall terminate and shall have no effect beginning January 1, 2016.

5 §6005. Qualified new recycling manufacturing or process equipment and/or service
6 contracts

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8 G. Beginning January 1, 2015, the House Committee on Ways and Means
9 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit
10 authorized pursuant to the provisions of this Section to determine if the economic
11 benefit provided by such credit outweighs the loss of revenue realized by the state
12 as a result of awarding such credit. The House and Senate Committee shall make a
13 specific recommendation no later than March 1, 2015, to either continue the credit
14 or to terminate the credit. The credit provided for pursuant to the provisions of this
15 Section shall terminate and shall have no effect beginning January 1, 2016.

16 §6006. Tax credits for local inventory taxes paid

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18 E. Beginning January 1, 2015, the House Committee on Ways and Means
19 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit
20 authorized pursuant to the provisions of this Section to determine if the economic
21 benefit provided by such credit outweighs the loss of revenue realized by the state
22 as a result of awarding such credit. The House and Senate Committee shall make a
23 specific recommendation no later than March 1, 2015, to either continue the credit
24 or to terminate the credit. The credit provided for pursuant to the provisions of this
25 Section shall terminate and shall have no effect beginning January 1, 2016.

26 §6006.1. Tax credits for taxes paid with respect to vessels in Outer Continental
27 Shelf Lands Act Waters

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1 G. Beginning January 1, 2015, the House Committee on Ways and Means
2 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit
3 authorized pursuant to the provisions of this Section to determine if the economic
4 benefit provided by such credit outweighs the loss of revenue realized by the state
5 as a result of awarding such credit. The House and Senate Committee shall make a
6 specific recommendation no later than March 1, 2015, to either continue the credit
7 or to terminate the credit. The credit provided for pursuant to the provisions of this
8 Section shall terminate and shall have no effect beginning January 1, 2016.

9 §6007. Motion picture investor tax credit

10 * * *

11 G. Beginning January 1, 2015, the House Committee on Ways and Means
12 and the Senate Committee on Revenue and Fiscal Affairs shall review the credits
13 authorized pursuant to the provisions of this Section to determine if the economic
14 benefit provided by such credits outweigh the loss of revenue realized by the state
15 as a result of awarding such credits. The House and Senate Committee shall make
16 a specific recommendation no later than March 1, 2015, to either continue the credits
17 or to terminate the credits. The credits provided for pursuant to the provisions of this
18 Section shall terminate and shall have no effect beginning January 1, 2016.

19 §6008. Tax credits for donations made to assist playgrounds in economically
20 depressed areas

21 * * *

22 D. Beginning January 1, 2015, the House Committee on Ways and Means
23 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit
24 authorized pursuant to the provisions of this Section to determine if the economic
25 benefit provided by such credit outweighs the loss of revenue realized by the state
26 as a result of awarding such credit. The House and Senate Committee shall make a
27 specific recommendation no later than March 1, 2015, to either continue the credit
28 or to terminate the credit. The credit provided for pursuant to the provisions of this
29 Section shall terminate and shall have no effect beginning January 1, 2016.

1 §6009. Louisiana Basic Skills Training Tax Credit

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3 F. Beginning January 1, 2015, the House Committee on Ways and Means
4 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit
5 authorized pursuant to the provisions of this Section to determine if the economic
6 benefit provided by such credit outweighs the loss of revenue realized by the state
7 as a result of awarding such credit. The House and Senate Committee shall make a
8 specific recommendation no later than March 1, 2015, to either continue the credit
9 or to terminate the credit. The credit provided for pursuant to the provisions of this
10 Section shall terminate and shall have no effect beginning January 1, 2016.

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12 §6013. Tax credits for donations made to public schools

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14 D. Beginning January 1, 2015, the House Committee on Ways and Means
15 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit
16 authorized pursuant to the provisions of this Section to determine if the economic
17 benefit provided by such credit outweighs the loss of revenue realized by the state
18 as a result of awarding such credit. The House and Senate Committee shall make a
19 specific recommendation no later than March 1, 2015, to either continue the credit
20 or to terminate the credit. The credit provided for pursuant to the provisions of this
21 Section shall terminate and shall have no effect beginning January 1, 2016.

22 §6014. Credit for property taxes paid by certain telephone companies; fund

23 * * *

24 F. Beginning January 1, 2015, the House Committee on Ways and Means
25 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit
26 authorized pursuant to the provisions of this Section to determine if the economic
27 benefit provided by such credit outweighs the loss of revenue realized by the state
28 as a result of awarding such credit. The House and Senate Committee shall make a
29 specific recommendation no later than March 1, 2015, to either continue the credit

1 or to terminate the credit. The credit provided for pursuant to the provisions of this
2 Section shall terminate and shall have no effect beginning January 1, 2016.

3 §6015. Research and development tax credit

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5 I. ~~No credit shall be allowed pursuant to this Section for research~~
6 ~~expenditures incurred or Small Business Innovation Research Grant funds received~~
7 ~~after December 31, 2019.~~ Beginning January 1, 2015, the House Committee on
8 Ways and Means and the Senate Committee on Revenue and Fiscal Affairs shall
9 review the credit authorized pursuant to the provisions of this Section to determine
10 if the economic benefit provided by such credit outweighs the loss of revenue
11 realized by the state as a result of awarding such credit. The House and Senate
12 Committee shall make a specific recommendation no later than March 1, 2015, to
13 either continue the credit or to terminate the credit. The credit provided for pursuant
14 to the provisions of this Section shall terminate and shall have no effect beginning
15 January 1, 2016.

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17 §6017. Tax credits for certain expenses paid by economic development corporations

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19 C. Beginning January 1, 2015, the House Committee on Ways and Means
20 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit
21 authorized pursuant to the provisions of this Section to determine if the economic
22 benefit provided by such credit outweighs the loss of revenue realized by the state
23 as a result of awarding such credit. The House and Senate Committee shall make a
24 specific recommendation no later than March 1, 2015, to either continue the credit
25 or to terminate the credit. The credit provided for pursuant to the provisions of this
26 Section shall terminate and shall have no effect beginning January 1, 2016.

27 §6018. Tax credits for purchasers from "PIE contractors"

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1 F. Beginning January 1, 2015, the House Committee on Ways and Means
2 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit
3 authorized pursuant to the provisions of this Section to determine if the economic
4 benefit provided by such credit outweighs the loss of revenue realized by the state
5 as a result of awarding such credit. The House and Senate Committee shall make a
6 specific recommendation no later than March 1, 2015, to either continue the credit
7 or to terminate the credit. The credit provided for pursuant to the provisions of this
8 Section shall terminate and shall have no effect beginning January 1, 2016.

9 §6019. Tax credit; rehabilitation of historic structures

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11 C. ~~The provisions of this Section shall be effective for the taxable years~~
12 ~~ending prior to January 1, 2016.~~ Beginning January 1, 2015, the House Committee
13 on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs shall
14 review the credit authorized pursuant to the provisions of this Section to determine
15 if the economic benefit provided by such credit outweighs the loss of revenue
16 realized by the state as a result of awarding such credit. The House and Senate
17 Committee shall make a specific recommendation no later than March 1, 2015, to
18 either continue the credit or to terminate the credit. The credit provided for pursuant
19 to the provisions of this Section shall terminate and shall have no effect beginning
20 January 1, 2016.

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22 §6022. Digital interactive media and software tax credit

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24 K. Beginning January 1, 2015, the House Committee on Ways and Means
25 and the Senate Committee on Revenue and Fiscal Affairs shall review the credits
26 authorized pursuant to the provisions of this Section to determine if the economic
27 benefit provided by such credits outweigh the loss of revenue realized by the state
28 as a result of awarding such credits. The House and Senate Committee shall make
29 a specific recommendation no later than March 1, 2015, to either continue the credits

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 or to terminate the credits. The credit provided for pursuant to the provisions of this
2 Section shall terminate and shall have no effect beginning January 1, 2016.

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4 §6025. Tax credit for Louisiana Citizens Property Insurance Corporation assessment

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6 D. Beginning January 1, 2015, the House Committee on Ways and Means
7 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit
8 authorized pursuant to the provisions of this Section to determine if the economic
9 benefit provided by such credit outweighs the loss of revenue realized by the state
10 as a result of awarding such credit. The House and Senate Committee shall make a
11 specific recommendation no later than March 1, 2015, to either continue the credit
12 or to terminate the credit. The credit provided for pursuant to the provisions of this
13 Section shall terminate and shall have no effect beginning January 1, 2016.

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15 §6030. Wind or solar energy systems tax credit

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17 G. Beginning January 1, 2015, the House Committee on Ways and Means
18 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit
19 authorized pursuant to the provisions of this Section to determine if the economic
20 benefit provided by such credit outweighs the loss of revenue realized by the state
21 as a result of awarding such credit. The House and Senate Committee shall make a
22 specific recommendation no later than March 1, 2015, to either continue the credit
23 or to terminate the credit. The credit provided for pursuant to the provisions of this
24 Section shall terminate and shall have no effect beginning January 1, 2016.

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26 §6032. Tax credit for certain milk producers

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28 H. Beginning January 1, 2015, the House Committee on Ways and Means
29 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit

1 authorized pursuant to the provisions of this Section to determine if the economic
 2 benefit provided by such credit outweighs the loss of revenue realized by the state
 3 as a result of awarding such credit. The House and Senate Committee shall make a
 4 specific recommendation no later than March 1, 2015, to either continue the credit
 5 or to terminate the credit. The credit provided for pursuant to the provisions of this
 6 Section shall terminate and shall have no effect beginning January 1, 2016.

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8 §6035. Tax credit for conversion of vehicles to alternative fuel usage

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10 H. Beginning January 1, 2015, the House Committee on Ways and Means
 11 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit
 12 authorized pursuant to the provisions of this Section to determine if the economic
 13 benefit provided by such credit outweighs the loss of revenue realized by the state
 14 as a result of awarding such credit. The House and Senate Committee shall make a
 15 specific recommendation no later than March 1, 2015, to either continue the credit
 16 or to terminate the credit. The credit provided for pursuant to the provisions of this
 17 Section shall terminate and shall have no effect beginning January 1, 2016.

18 §6036. Ports of Louisiana tax credits

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20 K. Beginning January 1, 2015, the House Committee on Ways and Means
 21 and the Senate Committee on Revenue and Fiscal Affairs shall review the credits
 22 authorized pursuant to the provisions of this Section to determine if the economic
 23 benefit provided by such credits outweigh the loss of revenue realized by the state
 24 as a result of awarding such credits. The House and Senate Committee shall make
 25 a specific recommendation no later than March 1, 2015, to either continue the credits
 26 or to terminate the credits. The credit provided for pursuant to the provisions of this
 27 Section shall terminate and shall have no effect beginning January 1, 2016.

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29 §6104. Child care expense tax credit

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D. Beginning January 1, 2015, the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs shall review the credit authorized pursuant to the provisions of this Section to determine if the economic benefit provided by such credit outweighs the loss of revenue realized by the state as a result of awarding such credit. The House and Senate Committee shall make a specific recommendation no later than March 1, 2015, to either continue the credit or to terminate the credit. The credit provided for pursuant to the provisions of this Section shall terminate and shall have no effect beginning January 1, 2016.

§6105. Child care provider tax credit

A. There shall be a credit against any Louisiana individual or corporation income tax or corporation franchise tax for a child care provider refundable as provided for in R.S. 47:6108. The tax credit shall be an amount based upon the average monthly number of children who either participate in the Child Care Assistance Program administered by the office of children and family services in the Department of Children and Family Services or who are foster children in the custody of the Department of Children and Family Services, and who are attending a child care facility or facilities operated by the child care provider, multiplied by an amount which shall be based upon the quality rating of each child care facility operated by the child care provider as follows:

Quality Rating of Child Care Facility	Tax Credit Per Eligible Child Attending
Five star	\$1,500
Four star	\$1,250
Three star	\$1,000
Two star	\$750
One star or nonparticipating facility	0

B. Beginning January 1, 2015, the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs shall review the credit

1 authorized pursuant to the provisions of this Section to determine if the economic
2 benefit provided by such credit outweighs the loss of revenue realized by the state
3 as a result of awarding such credit. The House and Senate Committee shall make a
4 specific recommendation no later than March 1, 2015, to either continue the credit
5 or to terminate the credit. The credit provided for pursuant to the provisions of this
6 Section shall terminate and shall have no effect beginning January 1, 2016.

7 §6106. Credit for child care directors and staff

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9 E. Beginning January 1, 2015, the House Committee on Ways and Means
10 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit
11 authorized pursuant to the provisions of this Section to determine if the economic
12 benefit provided by such credit outweighs the loss of revenue realized by the state
13 as a result of awarding such credit. The House and Senate Committee shall make a
14 specific recommendation no later than March 1, 2015, to either continue the credit
15 or to terminate the credit. The credit provided for pursuant to the provisions of this
16 Section shall terminate and shall have no effect beginning January 1, 2016.

17 §6107. Business-supported child care

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19 C. Beginning January 1, 2015, the House Committee on Ways and Means
20 and the Senate Committee on Revenue and Fiscal Affairs shall review the credit
21 authorized pursuant to the provisions of this Section to determine if the economic
22 benefit provided by such credit outweighs the loss of revenue realized by the state
23 as a result of awarding such credit. The House and Senate Committee shall make a
24 specific recommendation no later than March 1, 2015, to either continue the credit
25 or to terminate the credit. The credit provided for pursuant to the provisions of this
26 Section shall terminate and shall have no effect beginning January 1, 2016.

27 Section 2. R.S. 47:6010, 6012, 6016, 6021, 6027, and 6037 are hereby repealed in
28 their entirety.

1 Section 3. 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.

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)]

Robideaux

HB No. 587

Abstract: Requires the House Ways and Means and Senate Revenue and Fiscal Affairs Committees to review tax credits beginning Jan. 1, 2015, and to make recommendations to either continue or terminate credits. Terminates all credits beginning Jan. 1, 2016.

Present law provides for an income and corporation franchise tax credit for the employment of each person and participant of Family Independence Work Program in a newly created full-time job. The amount of the credit shall be \$750 and shall be allowed for the taxable period during which the new employee has completed one year of full-time service with the taxpayer or against the corporation franchise tax for the taxable period following the taxable period during which the new employee has completed one year of full-time service with the taxpayer.

Present law provides for an income or corporation franchise tax credit for ad valorem taxes paid to political subdivisions on inventory held by manufacturers, distributors, and retailers and on natural gas held, used, or consumed in providing natural gas storage services or operating natural gas storage facilities. The amount of the credit shall be equal to 100% of the inventory taxes paid to the political subdivision.

Present law provides for an income or corporation franchise tax credit for ad valorem taxes paid without protest to political subdivisions on vessels in Outer Continental Shelf Lands Act Waters as certified to the assessor within the calendar year immediately preceding the taxable year of assessment of such vessel. The amount of the credit shall be equal to 100% of the ad valorem taxes paid to the political subdivision.

Present law provides for an income tax credit for La. taxpayers for investment in state-certified productions earned at the time expenditures are made by a motion picture production company in a state-certified production. The amount of the credit shall be equal to 30% of the base investment made by the investor if the total base investment is more than \$300,000. Additionally provides for a credit equal to 5% of base investment expended on payroll for La. residents employed in connection with a state-certified production. However, this credit does not apply to the payroll of any one person that exceeds \$1 million dollars.

Present law provides for an income or corporation franchise tax credit for qualified donations made to qualified playgrounds. The amount of the credit shall be equal to the lesser of \$1,000 or one-half of the value of the cash, equipment, goods, or services donated.

Present law provides for an income or corporation franchise tax credit for an La. business or industry which supports and encourages employee basic skills training by satisfying criteria established in present law and which submit proper and complete applications. The amount of the credit shall equal \$250 per participating employee, with the total of all basic skills training credits not to exceed \$30,000 for any single business or industry enterprise in a particular tax year.

Present law provides for an income and corporation franchise tax credit for employers within the state to donate materials, equipment, or instructors to public training providers, secondary and postsecondary vocational-technical schools, apprenticeship program registered with the La. Workforce Commission, or community colleges to assist in the development of training programs designed to meet industry needs. The amount of the credit shall equal one-half the value of the donated materials, equipment, or services rendered by the instructor.

Present law provides for a corporate income and corporation franchise tax credit for qualified donations made to a public school. The amount of the credit shall be equal to 40% of the appraised value of the qualified donation.

Present law provides for an income and corporation franchise tax credit for ad valorem taxes paid to political subdivisions by a telephone company for the company's public service properties. The amount of the credit shall be equal to 40% of the aggregate ad valorem taxes paid by the telephone company to the political subdivision.

Present law provides for an income or corporation franchise tax credit for the filing fee paid to the La. State Bond Commission incurred by an economic development corporation in the preparation and issuance of bonds. The amount of the credit shall be equal to the amount of the filing fee paid.

Present law provides for an income and corporate franchise tax credit for purchases of specialty apparel items including industrial clothes, uniforms, and scrubs, from a contractor in a certified Private Sector/Prison Industry Enhancement Program which employs inmates to manufacture such apparel. The amount of the credit shall be equal to the state sales and use tax paid by the purchaser on each case or other unit of apparel as reflected on the purchaser's books and records.

Present law provides for an income or franchise tax credit for applications for state-certified digital interactive media productions submitted to the office of entertainment industry development in the Dept. of Economic Development. The amount of the credit shall be equal to 25% of the base investment in the state-certified digital interactive media production. Present law provides for an additional tax credit of 10% of payroll to the extent that the investment is expended on payroll for La. residents employed in connection with a state-certified production.

Present law provides for an income tax credit for the surcharges, market equalization charges, or assessments paid by a taxpayer as a result of the 2005 regular assessment or the emergency assessments levied due to Hurricanes Katrina and Rita by La. Citizens Property Insurance Corporation for the FAIR Plan and Coastal Plan. The amount of the credit is equal to the surcharges, market equalization charges, or assessments paid by a taxpayer.

Present law provides for an income tax credit for the cost of purchase and installation of a wind or solar energy system, or both, by a taxpayer at his La. residence, by the owner of a residential rental apartment project, or by a taxpayer who purchases and installs a system in a residence or a residential rental apartment project located in La. Present law limits one credit per system. The amount of the credit shall be equal to 50% of the first \$25,000 of the cost of each wind energy system or solar energy system, including installation costs, purchased and installed on or after Jan. 1, 2008.

Present law provides for a refundable income and corporation franchise tax credit for a resident taxpayer engaged in the business of producing milk for sale. The amount of the credit shall be based on the production and sale of milk below the announced production price over a calendar year in accordance with a schedule provided in present law. Present law limits the credit allowed for each producer to no more than \$30,000 per calendar year and caps the total aggregate amount of credits for all producers at \$2.5 million per calendar year.

Present law provides for an income tax credit for qualified clean-burning motor vehicle fuel property purchased and installed on certain motor vehicles. The amount of the credit shall be equal to 50% of the cost of the qualified clean-burning motor vehicle fuel property.

Present law provides for an income and corporate franchise tax credit for the total capital costs of a project sponsored or undertaken by a public port and investing companies that have a capital cost of at least \$5 million dollars and at which the predominant trade or business activity conducted will constitute industrial, warehousing, or port and harbor operations and cargo handling, including any port or port and harbor activity. The amount of the credit shall be equal to the total amount of capital costs of the project which shall be taken at 5% per tax year.

Present law provides for an income and corporation franchise Import Export tax credit for any breakbulk or containerized cargo brought to the state from a foreign country or from the state to a foreign country. The amount of the credit shall be equal to the product of multiplying \$5 by the number of tons of qualified cargo for the taxable year but only for the total amount provided by the secretary of the Dept. of Economic Development.

Present law provides for an individual income tax credit for child care expenses based on the quality rating of the child care facility which the child attends. The amount of the credit varies depending on the quality rating of the child care facility.

Present law provides for a refundable income or corporation franchise tax credit for child care providers. The amount of the credit shall be equal to an amount based upon the average monthly number of children who either participate in the Child Care Assistance Program or who are foster children in the custody of the Department of Children and Family Services, and who are attending a child care facility or facilities operated by the child care provider, multiplied by an amount which shall be based upon the quality rating of each child care facility operated by the child care.

Present law provides for a refundable individual income tax credit for eligible child care directors and eligible child care staff. The amount of the credit varies based upon the qualifications of the provider.

Present law provides for a refundable income tax or corporation franchise tax credit for eligible business child care expenses supported by a business. The amount of the credit shall be based on a percentage of eligible business child care expenses depending upon the quality rating of the child care facility to which the expenses are related or the quality rating of the child care facility the child attends. Present law provides for an additional refundable income or corporation franchise tax for the payment by a business of fees and grants to child care resource and referral agencies not to exceed \$5,000 per tax year.

Proposed law retains present law but adds a requirement that beginning Jan. 1, 2015, the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs review the credits authorized in present law to determine if the economic benefit of the credit outweighs the loss of revenue realized by the state as a result of awarding the credit. Proposed law further requires the committees to make specific recommendations no later than March 1, 2015, to either continue the credit or to terminate the credit.

Proposed law terminates the credits in present law beginning Jan. 1, 2016.

Present law provides for an income and corporation franchise tax credit for the expenses incurred during the rehabilitation of a historic structure located in a downtown development or a cultural product district. The amount of the credit shall not exceed 25% of the eligible costs and expenses of the rehabilitation. Present law prohibits a taxpayer, or an entity affiliated with a taxpayer, from receiving more than \$5 million dollars of credit for any number of rehabilitated structures within a particular downtown development or cultural product district. Present law provides that the tax credit shall be effective for the taxable years ending prior to January 1, 2016.

Proposed law retains present law but adds a requirement that beginning Jan. 1, 2015, the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs review the credit to determine if the economic benefit provided by the credit outweighs the loss of revenue realized by the state as a result of awarding such credit. Further requires the committees to make specific recommendations no later than March 1, 2015, to either continue the credit or to terminate the credit.

Present law provides for a refundable income and corporation franchise tax credit to encourage new and continuing efforts to conduct research and development activities within this state. The amount of the credit varies depending on the number of persons and claims for the taxable year an income tax credit is authorized under current federal law. Present law further prohibits credits for research expenditures incurred or Small Business Innovation Research Grant funds received after Dec. 31, 2019.

Proposed law retains present law but changes the termination date of the credit from Dec. 31, 2019 to Jan. 1, 2016. Proposed law adds a requirement that beginning Jan. 1, 2015, the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs review the credit to determine if the economic benefit provided by the credit outweighs the loss of revenue realized by the state as a result of awarding such credit. Further requires the committees to make specific recommendations no later than March 1, 2015, to either continue the credit or to terminate the credit.

Present law provides for an income and corporation franchise tax credit for investments which encourage the development, growth, and expansion of the private sector within the state by increasing access to capital in disadvantaged areas of the state. The amount of the credit is dependent on the amount of the private sector investment made by the taxpayer. Further provides that tax credits shall be allowed for qualified equity investments which have been invested in qualified low-income community investments until December 31, 2013.

Proposed law repeals present law.

Present law provides for tax credits for employee alcohol and substance abuse treatment programs, donations of materials, equipment, advisors, or instructors, Brownfields Investors, Mentor-Protege Program, overpayments made by taxpayers, and "green job industries". However, by the terms of present law, these credits have either expired or have been inactive.

Proposed law repeals present law.

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

(Amends R.S. 47:6015(I), 6019(C), and 6105; Adds R.S. 47:6004(C), 6005(G), 6006(E), 6006.1(G), 6007(G), 6008(D), 6009(F), 6013(D), 6014(F), 6017(C), 6018(F), 6020(G), 6022(K), 6023(I), 6025(D), 6030(G), 6032(H), 6035(H), 6036(K), 6104(D), 6106(E), and 6107(C); Repeals R.S. 47:6010, 6012, 6016, 6021, 6028, and 6037)