
DIGEST

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HB 816 Original

2015 Regular Session

Connick

Abstract: Changes the tax credit for resident milk producers from a refundable credit to a credit in which amounts of the credit above the tax liability may be carried forward and applied against subsequent tax liability for up to five years.

Present law provides for a refundable income and corporation franchise tax credit for resident taxpayers engaged in the business of producing milk for sale based on the amount of milk produced and sold. The credit shall be allowed when the USDA Uniform Price in Federal Order Number 7 drops below the announced production price any time during the calendar year. The amount of the credit varies based on the production and sale of milk below the announced production price over a calendar year. However, the maximum amount of the credit per producer is capped at \$30,000, and the total aggregate amount of credits per year is capped at \$2.5 million.

Present law provides that the taxpayer is entitled to a refund if the taxpayer owes no taxes or if the allowable credit exceeds the tax liability of the taxpayer.

Proposed law changes the tax credit from a refundable credit to one in which credit amounts which exceed taxpayer liability may be carried forward against subsequent income or corporation franchise tax liability for up to five years.

Applicable to tax years beginning on or after Jan. 1, 2015.

(Amends R.S. 47:6032(A) and (E))