

CONFERENCE COMMITTEE REPORT

HB 508

2015 Regular Session

Foil

June 10, 2015

To the Honorable Speaker and Members of the House of Representatives and the Honorable President and Members of the Senate.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning House Bill No. 508 by Representative Foil, recommend the following concerning the Reengrossed bill:

1. That Senate Committee Amendment No. 1 proposed by Senate Committee on Revenue and Fiscal Affairs and adopted on June 5, 2015, be adopted.
2. That the set of Senate Floor Amendments proposed by Senator Broome and adopted by the Senate on June 6, 2015, be adopted.
3. That the Reengrossed bill be amended as follows:

AMENDMENT NO. 1

In Senate Floor Amendment No. 4 proposed by Senator Broome and adopted by the Senate on June 6, 2015, on page 1, at the beginning of line 9, delete "with a service-connected disability."

AMENDMENT NO. 2

In Senate Floor Amendment No. 7 proposed by Senator Broome and adopted by the Senate on June 6, 2015, on page 1, line 21, after "line" and before "after" delete "16," and insert "18,"

Respectfully submitted,

Representative Franklin J. Foil

Senator Neil Riser

Representative Joel C. Robideaux

Senator Sharon Weston Broome

Representative Tom Willmott

Senator Robert Adley

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)]

CONFERENCE COMMITTEE REPORT DIGEST

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Keyword and oneliner of the instrument as it left the House

TAX/INCOME TAX: Authorizes an income tax deduction for taxpayers who employ certain qualified disabled individuals

Report adopts Senate amendments to:

1. Clarify the disabled individual for which a deduction is available is a disabled individual within Louisiana.
2. Direct the Dept. of Revenue and the Dept. of Health and Hospitals to approve applications claiming the deduction and to promulgate rules for implementation of the program in consultation with the Dept. of Veterans Affairs. Require the Dept. of Health and Hospitals to maintain records of the 100 eligible employees.
3. Authorize the Dept. of Revenue to share information with the Dept. of Health and Hospitals for the purposes of implementation of the program.
4. Eliminates provision requiring equal distribution of available deductions between the Dept. of Health and Hospitals and the Dept. of Veterans Affairs.

Report amends the bill to:

1. Make technical changes to Senate Floor Amendments Nos. 4 and 7 proposed by Senator Broome and adopted by the Senate on June 6, 2015.

Digest of the bill as proposed by the Conference Committee

Proposed law authorizes an income tax deduction for each taxpayer who provides continuous employment to a qualified individual with a disability. A taxpayer is eligible to claim the deduction after employing a qualified individual with a disability for four continuous months for no less than an average of 20 hours a week at a rate comparable to and in the same setting as other employees performing the same or similar task.

Proposed law limits the number of qualified individuals for which the deduction may be claimed to 100 and directs the Dept. of Revenue (DOR) and the Dept. of Health and Hospitals (DHH) to approve applications claiming the deduction. Authorizes rule promulgation and regulations pursuant to the A.P.A. by DOR and DHH, in consultation with the Dept. of Veterans Affairs. Requires DHH to maintain records indicating the 100 employees eligible for the deduction.

Proposed law defines a "qualified individual with a disability" as either of the following:

- (1) A person with a severe, chronic disability attributable to an intellectual or physical impairment or combination of these impairments that is manifested before the age of 22 and is likely to continue indefinitely which results in substantial functional limitations. A qualified individual with a disability shall include individuals who have been determined to be eligible for services through the Office for Citizens with

developmental disabilities or the Home and Community Based Waiver programs and is receiving facility-based vocational or pre-vocational services through the Home and Community Based Waiver programs.

- (2) An individual who has a service-connected disability rating of 50% or more as designated by the U.S. Dept. of Veterans Affairs. A qualified individual with a service-connected disability shall include individuals who receive facility-based vocational or pre-vocational services through the Home and Community Based Waiver programs.

Proposed law provides that the amount of the deduction shall equal 50% of the gross wages paid to a qualified disabled individual during the first four continuous months of employment and 30% of the gross wages paid to the individual during each subsequent continuous month of employment. Further provides that the taxpayer is entitled to the deduction for each qualified disabled individual he employs each taxable year.

Proposed law requires the taxpayer claiming the deduction to maintain all records necessary to verify that the employer and the qualified disabled individual for which the taxpayer is claiming the deduction meets all of the requirements as provided for in proposed law.

Proposed law requires, to the extent practicable, that the credits be apportioned equitably to employers who are geographically representative of all portions of the state.

Proposed law authorizes DOR to share information with DHH to monitor and implement proposed law.

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

(Adds R.S. 47:297.13 and 1508(B)(37))