

**HOUSE SUMMARY OF SENATE AMENDMENTS****HB 387****2015 Regular Session****Leger**

TAX/INCOME-CREDIT: Extends the sunset of the tax credit for the rehabilitation of historic structures for nonresidential property and provides eligibility requirements

**Synopsis of Senate Amendments**

1. Adds a \$45 million cap for the amount of credits allowed in any taxable year.
2. Changes the sunset date of the credit from Jan. 1, 2022 to Jan. 1, 2019.
3. Made technical changes.

**Digest of Bill as Finally Passed by Senate**

Present law provides for an income or corporation franchise tax credit for the amount of eligible costs and expenses incurred during the rehabilitation of a historic structure located in a downtown development district or a cultural district. Provides for an application fee. The credit shall not exceed 25% of the eligible costs and expenses and no taxpayer shall claim more than \$5 million of credit annually for any number of structures rehabilitated within a particular downtown development or cultural district. The credit sunsets on Jan. 1, 2018.

Proposed law places an annual cap of \$45 million on the amount of credits allowed in any taxable year.

Proposed law retains present law but prohibits those projects whose rehabilitation costs and expenses are paid for with state or federal funds from being eligible to receive the tax credit, unless the state or federal funds used are reported as taxable income or are structured as repayable loans.

Proposed law further directs the state historic preservation office to consult with the Dept. of Revenue in determining the amount of the application fee to be collected and requires that the application fee be distributed equitably between the entities.

Proposed law changes present law by extending the sunset of the program from taxable years ending prior to Jan. 1, 2018 to taxable years ending prior to Jan. 1, 2022.

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

(Amends R.S. 47:6019(A)(1)(a) and (2)(c) and (C); Adds R.S. 47:6019(A)(1)(c))