

RÉSUMÉ DIGEST

ACT 357 (HB 749)

2015 Regular Session

Burrell

REVIEW OF TAX CREDITS IN EXISTING LAW

Existing law provides for the following income and corporation franchise tax credits:

- (1) R.S. 47:6004 Employer Credit
- (2) R.S. 47:6005 Qualified new recycling manufacturing or process equipment and/or service contracts
- (3) R.S. 47:6006 Tax credits for local inventory taxes paid
- (4) R.S. 47:6006.1 Tax credits for taxes paid with respect to vessels in Outer Continental Shelf Lands Act Waters
- (5) R.S. 47:6007 Motion picture investor tax credit
- (6) R.S. 47:6008 Tax credits for donations made to assist playgrounds in economically depressed areas
- (7) R.S. 47:6009 Louisiana Basic Skills Training Tax Credit
- (9) R.S. 47:6012 Employer tax credits for donations of materials, equipment, advisors, or instructors
- (10) R.S. 47:6013 Tax credits for donations made to public schools
- (11) R.S. 47:6014 Credit for property taxes paid by certain telephone companies; fund
- (12) R.S. 47:6015 Research and development tax credit
- (13) R.S. 47:6016.1 Louisiana New Markets Jobs Act; premium tax credit
- (14) R.S. 47:6017 Tax credits for certain expenses paid by economic development corporations
- (15) R.S. 47:6018 Tax credits for purchasers from "PIE contractors"
- (16) R.S. 47:6022 Digital interactive media and software tax credit
- (17) R.S. 47:6023 Sound recording investor tax credit
- (18) R.S. 47:6025 Tax credit for Louisiana Citizens Property Insurance Corporation assessment
- (19) R.S. 47:6026 Cane River heritage tax credit
- (20) R.S. 47:6030 Solar energy systems tax credit
- (21) R.S. 47:6032 Tax credit for certain milk producers
- (22) R.S. 47:6034 Musical and theatrical production income tax credit
- (23) R.S. 47:6035 Tax credit for conversion of vehicles to alternative fuel usage
- (24) R.S. 47:6036 Ports of Louisiana tax credit
- (25) R.S. 47:6037 Tax credit for "green job industries"
- (26) R.S. 47:6104 Child care expense tax credit

- (27) R.S. 47:6105 Child care provider tax credit
- (28) R.S. 47:6106 Credit for child care directors and staff
- (29) R.S. 47:6107 Business-supported child care

New law requires the House Committee on Ways and Means to review the credits in existing law no later than Jan. 31, 2016, and make a specific recommendation no later than March 1, 2017, to either continue the credits or to terminate the credits.

REPEAL OF EXPIRED OR INACTIVE TAX CREDITS

Existing law (R.S. 47:6005) provides for an income tax credit for taxpayers for the purchase of qualified new recycling manufacturing or processing equipment. Prior law provided a credit of 100% of the purchase price for steelworks and blast furnaces, including coke ovens and rolling mills that are classified as SIC 312 by the Standard Industrial Classification Code. Prior law limited its application to claims made by the taxpayer prior to July 1, 2002.

New law repeals prior law.

Prior law (R.S. 47:6010) provided an income tax credit for employers who provided certain qualified alcohol or substance abuse treatment programs to their employees. Prior law expired June 30, 2000.

New law repeals the credit.

Prior law (R.S. 47:6028) provided an income or corporation franchise tax credit for the amount of any overpayment made by a taxpayer with gross receipts from business of \$500,000 or less as a result of failing to claim any inventory tax credit between tax years 1999 through 2002 for income taxes and 2000 through 2003 for corporation franchise taxes. Prior law expired Dec. 31, 2007.

New law repeals the credit.

Prior law (R.S. 47:6029, Tax credit for conversion or acquisition of trailers which haul sugarcane) provided an income or corporation franchise tax for the purchase of an eligible sugarcane trailer to replace an ineligible sugarcane trailer as provided for in prior law. The credit was allowed in varying amounts, but there was no credit allowed for costs paid on or after Jan. 1, 2014.

New law repeals the credit.

Prior law (R.S. 47:6033, Apprenticeship tax credits) provided an individual or corporation income tax or corporation franchise tax credit for employers who employed an eligible apprentice as defined in prior law. The amount of the credit was equal to one dollar for each hour of employment of each eligible apprentice and applied to taxable periods ending prior to Jan. 1, 2015.

New law repeals the credit.

Effective upon signature of governor (June 29, 2015).

(Amends R.S. 47:6105; Adds R.S. 47:6004(C), 6005(G), 6006(E), 6006.1(G), 6007(G), 6008(D), 6009(F), 6012(F), 6013(D), 6014(F), 6015(K), 6016.1(N), 6017(C), 6018(F), 6022(L), 6023(I), 6025(D), 6026(G), 6030(H), 6032(H), 6034(K), 6035(H), 6036(K), 6037(I), 6104(D), 6106(E), and 6107(C); Repeals R.S. 47:6005(D)(2), 6010, 6028, 6029, and 6033)