

2016 First Extraordinary Session

HOUSE BILL NO. 24

BY REPRESENTATIVE JACKSON

1 AN ACT

2 To amend and reenact R.S. 47:227 and 6034(C)(1)(a)(ii)(bb)(II), (c)(ii), and (d)(ii), and Act
3 No. 125 of the 2015 Regular Session of the Legislature, relative to Sections 7 and 8
4 of Act No. 125 of the Regular Session of the Legislature; to extend the sunset of
5 reductions to tax credits in Act No. 125 of the 2015 Regular Session of the
6 Legislature; to provide for an effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:227 and 6034(C)(1)(a)(ii)(bb)(II), (c)(ii), and (d)(ii) are hereby
9 amended and reenacted to read as follows:

10 §227. Offset against tax

11 Every insurance company shall be entitled to an offset against any tax
12 incurred under this Chapter, in the amount of any taxes, based on premiums, paid by
13 it during the preceding twelve months, by virtue of any law of this state. Beginning
14 on and after July 1, 2015, ~~and before July 1, 2018~~, the offset shall be equal to
15 seventy-two percent of the amount of any taxes, based on premiums.

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17 §6034. Musical and theatrical production income tax credit

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19 C. Income tax credits for state-certified productions and state-certified
20 musical or theatrical facility infrastructure projects:

21 (1) There is hereby authorized the following types of credits against the state
22 income tax:

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(a)

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(bb)

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(II) For state-certified higher education musical or theatrical infrastructure projects that receive initial certification on or after July 1, 2015, ~~and on or before January 1, 2018~~, a base investment credit may be earned for expenditures made in the state on or before January 1, 2022, for the construction, repair, or renovation of a new state-certified higher education musical or theatrical facility infrastructure project, or for investments made by a company or a financier in such infrastructure project that are, in turn, expended for such construction, repair, or renovation. No more than seven million two hundred thousand dollars in tax credits per project or forty-three million two hundred thousand dollars total in tax credits shall be granted for state-certified higher education musical or theatrical infrastructure projects that receive initial certification on or after July 1, 2015, ~~and on or before January 1, 2018~~. Twenty-five percent of the total base investment provided for in the initial certification letter of a state-certified higher education musical or theatrical infrastructure project must be expended on or before January 1, 2020, in order for the project to earn credits for the remaining estimated base investment provided for in the initial certification letter, as expenditures are made in the state on or before January 1, 2022. No credits shall be certified until the state-certified higher education musical or theatrical infrastructure project is complete. The initial certification letter shall be effective for qualified expenditures made no more than six months prior to the date of application. State-certified higher education musical or theatrical infrastructure projects shall not be subject to the provisions of Subitem (cc) of this Item nor shall such projects be subject to the provisions of Subsection H of this Section.

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(ii) For state-certified musical or theatrical productions that receive an initial certification on or after July 1, 2015, ~~and on or before January 1, 2018~~, an additional tax credit of seventy-two thousandths of one percent of the amount expended to employ students enrolled in Louisiana colleges, universities, and vocational-technical schools in a state-certified musical or theatrical production in arts-related positions, such as an actor, writer, producer, stagehand, or director, or as a technician working on aspects of the production such as lighting, sound, and actual stage work, or working indirectly on the production in accounting, law, management, and marketing.

(d)

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(ii) To the extent that base investment is expended on payroll for Louisiana residents employed in connection with a state-certified musical or theatrical production that receives initial certification on or after July 1, 2015, ~~and on or before January 1, 2018~~, except for the students provided for in Subparagraph (c) of this Paragraph, or the construction of a state-certified musical or theatrical facility infrastructure project, a company shall be allowed an additional tax credit of seven and two-tenths of one percent of such payroll; however, if the amount paid to any one person exceeds one million dollars, the additional credit shall not include any amount paid to that person that exceeds one million dollars.

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Section 2. Sections 7 and 8 of Act No. 125 of the 2015 Regular Session of the Legislature are hereby amended and reenacted as follows:

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Section 7.(A) Except as provided for in Subsection (B) of this Section, the provisions of Sections 1, 2, and 3 of this Act shall apply to a claim for a credit on any

1 return filed on or after July 1, 2015, ~~but before June 30, 2018,~~ through the
2 termination date in the Act that originated as House Bill No. 62 of the 2016 First
3 Extraordinary Session of the Legislature regardless of the taxable year to which the
4 return relates.

5 (B) The provisions of Sections 1, 2, and 3 of this Act shall not apply to an
6 amended return filed on or after July 1, 2015, ~~but before June 30, 2018,~~ through the
7 termination date in the Act that originated as House Bill No. 62 of the 2016 First
8 Extraordinary Session of the Legislature relating to a credit properly claimed on an
9 original return filed prior to July 1, 2015.

10 (C) If a return is filed after July 1, 2015, ~~but before June 30, 2018,~~ through
11 the termination date in the Act that originated as House Bill No. 62 of the 2016 First
12 Extraordinary Session of the Legislature for which a valid filing extension has been
13 allowed prior to July 1, 2015, then any portion of the credit reduced by the
14 provisions of Sections 1, 2, or 3 of this Act shall be allowed as a credit in the amount
15 of one-third of the reduced portion of the credit on the taxpayer's return for each of
16 the taxable years beginning during calendar years 2017, 2018, and 2019.

17 Section 8.(A) The provisions of Sections 1, 2, and 3 of this Act shall become
18 effective on July 1, 2015. ~~and shall remain effective through June 30, 2018. The~~
19 ~~provisions of Sections 4, 5, and 6 of this Act shall become effective on July 1, 2018~~
20 ~~and shall apply to original returns filed on or after July 1, 2018. In the event the Act~~
21 ~~that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the~~
22 ~~Legislature is enacted and becomes effective, the provisions of Sections 1, 2, and 3~~
23 ~~of this Act shall remain in effect through the termination date in the Act that~~
24 ~~originated as House Bill No. 62 of the 2016 First Extraordinary Session of the~~
25 ~~Legislature.~~

26 (B) The provisions of Sections 4, 5, and 6 of this Act shall become effective
27 upon the termination date of Sections 1, 2, and 3 of this Act, as provided in this
28 Section.

1 Section 3. This Act shall take effect only if and when the Act which originated as
2 House Bill No. 62 of this 2016 First Extraordinary Session of the Legislature becomes
3 effective.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____