

2017 Regular Session

HOUSE BILL NO. 454

BY REPRESENTATIVE ABRAMSON

1 AN ACT

2 To amend and reenact R.S. 47:6020(C)(2)(b), (D)(1), (2)(a) and (b), and (5)(a) and (b), and  
3 (F)(2), to enact R.S. 47:6020(G), and to repeal R.S. 47:6020(D)(1) and (2)(a) as  
4 amended by Section 5 of Act No. 125 of the 2015 Regular Session of the Legislature  
5 and Section 3 of Act No. 414 of the 2011 Regular Session of the Legislature, as  
6 amended by Act No. 104 of the 2015 Regular Session of the Legislature, relative to  
7 tax credits; to provide for the termination date for the Angel Investor Tax Credit  
8 Program; to provide for the amount of the credit; to provide with respect to the  
9 claiming of the credit; to provide for effectiveness; and to provide for related  
10 matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 47:6020(G) is hereby enacted to read as follows:

13 §6020. Angel Investor Tax Credit Program

14 \* \* \*

15 G. No credits shall be granted or reserved under this program for reservation  
16 applications received by the department on or after July 1, 2021.

17 Section 2. R.S. 47:6020(C)(2)(b), (D)(1), (2)(a) and (b), and (5)(a) and (b), and  
18 (F)(2) are hereby amended and reenacted to read as follows:

19 §6020. Angel Investor Tax Credit Program

20 \* \* \*

21 C. Qualifications.

22 \* \* \*



1           The credits approved by the department shall be granted at the rate of twenty-five  
 2           percent of the amount of the investment with the credit divided in equal portions for  
 3           three years.

4                     (b) After certifying the eligibility of the Louisiana Entrepreneurial Business  
 5           and the amount of the investment, the secretary of the department shall issue a tax  
 6           credit certificate, a copy of which is to be attached to the tax return of the angel  
 7           investor. The tax credit available in the first year shall become deductible from tax  
 8           liability in the taxpayer's income tax year which occurs twenty-four months from the  
 9           date the department certifies the amount of the investment.

10   \*       \*       \*

11                     (5)(a) If at the close of any calendar year in the five-year period beginning  
 12           with the first year in which a tax credit certificate was issued to an investor, the  
 13           Louisiana Entrepreneurial Business is no longer domiciled in Louisiana, the tax  
 14           credit shall be recaptured from the investor unless change of domicile is the result  
 15           of a merger, consolidation, or other acquisition of such business or all or  
 16           substantially all of the assets of the business with or by a party not affiliated with the  
 17           business.

18                     (b) If at the close of any calendar year in the three-year period beginning  
 19           with the first year a tax credit certificate was issued to an investor, the investor  
 20           transfers the equity received in connection with the qualified investment, the tax  
 21           credit shall be recaptured from the investor unless the transfer results from any of the  
 22           following circumstances:

- 23                     (i) The liquidation of the business issuing the equity;
- 24                     (ii) The merger, consolidation, or other acquisition of ~~such~~ the business or  
 25           all or substantially all of the assets of the business with or by a party not affiliated  
 26           with the business; ~~or~~
- 27                     (iii) The death of the investor; .
- 28                     (iv) The transfer of the equity in the Louisiana Entrepreneurial Business by  
 29           the investor is to an entity, trust, or other organization under the control of the  
 30           investor. For purposes of this Subparagraph, an entity shall be deemed to be in



1 Section 4. Sections 1, 4, and 5 of this Act shall become effective on July 1, 2017.

2 Section 5. Sections 2 and 3 of this Act shall become effective on July 1, 2018.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_