

RÉSUMÉ DIGEST

ACT 403 (SB 172)

2017 Regular Session

Morrell

New law sunsets the following income and corporation franchise tax credits beginning January 1, 2020:

- (1) R.S. 25:1226.4 Atchafalaya Trace Heritage Area Development Zone tax credit.
- (2) R.S. 47:34 Corporation tax credit.
- (3) R.S. 47:37 Tax credit for contributions to educational institutions.
- (4) R.S. 47:287.748 Corporation tax credit; re-entrant jobs credit.
- (5) R.S. 47:287.749 Jobs credit.
- (6) R.S. 47:287.752 Credit for employment of first-time nonviolent offenders.
- (7) R.S. 47:287.755 Credit for contributions to educational institutions.
- (8) R.S. 47:297 Reduction to tax for taxpayer, spouse, or dependent who is deaf, blind, mentally incapacitated or has lost the use of one limb.
- (9) R.S. 47:297.2 Reduction to tax due to person maintaining a household where one or more dependents is physically or mentally incapable of caring for themselves.
- (10) R.S. 47:297.9 Credits for certain military service members and dependents for hunting and fishing licenses.
- (11) R.S. 47:6025 Credit for La. Citizens Property Insurance Corp. assessment.

New law sunsets the following income and corporation franchise tax credits beginning January 1, 2022:

- (1) R.S. 47:227 Offset against tax based on insurance premiums.
- (2) R.S. 47:6019 Tax credit; rehabilitation of historic structures.
- (3) R.S. 47:6035 Credit for conversion of vehicles to alternative fuel usage.

Prior law provided that the purchaser of a new vehicle originally equipped to be propelled by an alternative fuel may claim the credit either on 36% of the value of the equipment directly related to the alternative fuel or, if the purchaser cannot determine the value of the equipment, 7.2% of the total purchase price of the vehicle or \$1,500, whichever is less.

New law eliminates the 36% credit for the value of the property directly related to the alternative fuel and changes the value of the credit from 7.2% to 10 % and changes the vehicle cap from \$1,500 to \$2,500.

Effective upon signature of the governor (June 26, 2017).

(Amends R.S. 47:227, as amended by Sec. 2 of Acts 2015 , No. 125, R.S. 47:297.2, 6019(A)(1)(a), and 6035(D); adds R.S. 25:1226.4(D), R.S. 47:34(F), 37(I), 287.748(D), 287.749(E), 287.752(D), 287.755(I), 297(Q), 297.9(D), 6025(E), 6035(I); repeals R.S. 47:227 as amended by Sec. 5 of Acts 2015, No. 125)