

SENATE BILL NO. 172

BY SENATOR MORRELL

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AN ACT

To amend and reenact R.S. 47:227 as amended by Section 2 of Act No. 125, of the 2015 Regular Session of the Legislature, R.S. 47:297.2, 6019(A)(1)(a), and 6035(D) and to enact 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), and 6035(I), and to repeal R.S. 47:227 as amended by Section 5 of Act 125 of the 2015 Regular Session of the Legislature, relative to tax credits; to provide for the sunset of certain tax credits; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 25:1226.4(D) is hereby enacted to read as follows:

§1226.4. Tax exemptions and credits

\* \* \*

**D. Beginning January 1, 2020, no contracts shall be entered into for credits pursuant to the provisions of this Section.**

\* \* \*

Section 2. R.S. 47:227 as amended by Section 2 of Act No. 125 of the 2015 Regular Session of the Legislature, R.S. 47:297.2, 6019(A)(1)(a), and 6035(D) are hereby amended and reenacted and 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), and 6035(I) are hereby enacted to read as follows:

§34. Corporation tax credit

\* \* \*

**F. The credit provided for pursuant to the provisions of this Section shall terminate and shall have no effect beginning January 1, 2020.**

\* \* \*

1 §37. Tax credit for contributions to educational institutions

2 \* \* \*

3 **I. The credit provided for pursuant to the provisions of this Section shall**  
4 **terminate and shall have no effect beginning January 1, 2020.**

5 \* \* \*

6 §227. Offset against tax

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

12 \* \* \*

13 §287.748. Corporation tax credit; re-entrant jobs credit

14 \* \* \*

15 **D. The credit provided for pursuant to the provisions of this Section**  
16 **shall terminate and shall have no effect beginning January 1, 2020.**

17 \* \* \*

18 §287.749. Jobs credit

19 \* \* \*

20 **E. The credit provided for pursuant to the provisions of this Section**  
21 **shall terminate and shall have no effect beginning January 1, 2020.**

22 \* \* \*

23 §287.752. Tax credit for employment of first-time nonviolent offenders

24 \* \* \*

25 **D. The credit provided for pursuant to the provisions of this Section**  
26 **shall terminate and shall have no effect beginning January 1, 2020.**

27 \* \* \*

28 §287.755. Tax credit for contributions to educational institutions

29 \* \* \*

30 **I. The credit provided for pursuant to the provisions of this Section shall**

1 terminate and shall have no effect beginning January 1, 2020.

2 \* \* \*

3 §297. Reduction to tax due

4 \* \* \*

5 Q. The credits provided for pursuant to the provisions of this Section  
6 shall terminate and shall have no effect beginning January 1, 2020.

7 \* \* \*

8 §297.2. Reduction to tax due

9 A. A person who maintains a household ~~which~~ that includes one or more  
10 dependents who are physically or mentally incapable of caring for themselves may  
11 take as a credit against the state income tax imposed by this Part the full amount of  
12 a tax credit equal to the applicable percentage of employment-related expenses  
13 allowable pursuant to Section 21 of the Internal Revenue Code. Any tax credit  
14 otherwise allowed under this Section ~~which~~ that is not used by the taxpayer in a  
15 particular year may be carried forward and offset against the taxpayer's tax liability  
16 for the next succeeding tax year.

17 B. The credit provided for pursuant to the provisions of this Section  
18 shall terminate and shall have no effect beginning January 1, 2020.

19 \* \* \*

20 §297.9. Reduction to tax due; amounts paid by certain military service members  
21 and dependents for certain hunting and fishing licenses

22 \* \* \*

23 D. The credit provided for pursuant to the provisions of this Section  
24 shall terminate and shall have no effect beginning January 1, 2020.

25 \* \* \*

26 §6019. Tax credit; rehabilitation of historic structures

27 A.(1)(a) There shall be a credit against income and corporation franchise tax  
28 for the amount of eligible costs and expenses incurred during the rehabilitation of a  
29 historic structure located in a downtown development or a cultural district. The  
30 amount of the credit shall equal twenty-five percent of the eligible costs and

1 expenses of the rehabilitation incurred prior to January 1, 2018, regardless of the  
 2 year in which the property is placed in service. The amount of the credit shall equal  
 3 twenty percent of the eligible costs and expenses of the rehabilitation incurred on or  
 4 after January 1, 2018 and before January 1, 2022, regardless of the year in which  
 5 the property is placed in service. **No credit is authorized pursuant to this Section**  
 6 **for expenses incurred on or after January 1, 2022.**

7 \* \* \*

8 §6025. Tax credit for Louisiana Citizens Property Insurance Corporation assessment

9 \* \* \*

10 **E. The credit provided for pursuant to the provisions of this Section**  
 11 **shall terminate and shall have no effect beginning January 1, 2020.**

12 \* \* \*

13 §6035. Tax credit for conversion of vehicles to alternative fuel usage

14 \* \* \*

15 D. In cases ~~where no previous credit has been claimed pursuant to Subsection~~  
 16 ~~C of this Section for the cost of qualified clean-burning motor vehicle fuel property~~  
 17 ~~in~~ **of** a new motor vehicle purchased by a taxpayer with qualified clean-burning  
 18 motor vehicle fuel property, **as defined in Subparagraph (B)(2)(b) of this**  
 19 **Subsection, if** installed by the vehicle's manufacturer ~~and the taxpayer is unable to,~~  
 20 ~~or elects not to determine the exact cost which is attributable to such property,~~ the  
 21 taxpayer may claim a credit against individual or corporate income tax for the  
 22 taxable period in which the **new** motor vehicle is purchased equal to ~~seven and two~~  
 23 ~~tenths~~ **ten** percent of the cost of the motor vehicle or ~~one~~ **two** thousand five hundred  
 24 dollars, whichever is less, provided the motor vehicle is registered in this state.

25 \* \* \*

26 **I. The credit provided for pursuant to the provisions of this Section shall**  
 27 **terminate and shall have no effect beginning January 1, 2022.**

28 \* \* \*

29 Section 3. R.S. 47:227 as amended by Section 5 of Act No. 125 of the 2015 Regular  
 30 Session of the Legislature is hereby repealed.

1           Section 4. This Act shall become effective upon signature by the governor or, if not  
2 signed by the governor, upon expiration of the time for bills to become law without signature  
3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
4 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
5 effective on the day following such approval.

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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GOVERNOR OF THE STATE OF LOUISIANA

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