
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Danielle Doiron.

DIGEST

Present law provides an individual income tax credit for the rehabilitation of owner-occupied residential or owner-occupied mixed use structures. Further provides that the total credit shall be no more than \$25,000 per structure and the rehabilitation costs of the structure must exceed \$20,000.

Proposed law increases the maximum limit of income tax credit per structure from \$25,000 to \$50,000. Further increases the minimum limit of the rehabilitation costs from \$20,000 to \$40,000.

Present law provides that the credit shall be calculated on the following percentages of the eligible costs and expenses of the rehabilitation based on the adjusted gross income (AGI) of the owner occupant as follows:

- (1) If the AGI is less than or equal to \$50,000, the credit shall be 25% of the eligible costs and expenses of the rehabilitation.
- (2) If the AGI is greater than \$50,000 and less than or equal to \$75,000, the credit shall be 20%.
- (3) If the AGI is greater than \$75,000 and less than or equal to \$100,000, the credit shall be 15%.
- (4) If the AGI is greater than \$100,000, the credit is only available for the rehabilitation of a vacant and blighted owner-occupied residential structure that is at least 50 years old and the credit shall be 10% of the eligible costs and expenses of the rehabilitation.

Proposed law increases the amounts that the credit shall be calculated on the following percentages of the eligible costs and expenses of the rehabilitation based on the adjusted gross income (AGI) of the owner occupant as follows:

- (1) If the AGI is less than or equal to \$100,000, the credit shall be 50% of the eligible costs and expenses of the rehabilitation.
- (2) If the AGI is greater than \$100,000 and less than or equal to \$150,000, the credit shall be 20%.
- (3) If the AGI is greater than \$150,000 and less than or equal to \$200,000, the credit shall be 15%.
- (4) If the AGI is greater than \$200,000, the credit is only available for the rehabilitation of a vacant and blighted owner-occupied residential structure that is at least 50 years old and the credit shall be 20% of the eligible costs and expenses of the rehabilitation.

Applicable to costs and expenses incurred on rehabilitations starting on and after January 1, 2009.

Effective upon signature of the governor or lapse of time for gubernatorial consent.

(Amends R.S. 47:297.6(A)(1))