

Regular Session, 2009

SENATE BILL NO. 194

BY SENATOR BROOME

TAX/TAXATION. Provides for a tax credit against the corporate income tax and the corporation franchise tax for employers who allow parental involvement in schools during working hours. (gov sig)

1 AN ACT

2 To enact R.S. 47:6035, relative to tax credits; to provide a credit against the corporate  
3 income tax and the corporation franchise tax for employers who allow parental  
4 involvement in schools during working hours; to provide for an effective date; and  
5 to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:6035 is hereby enacted to read as follows:

8 **§6035. Employer tax credit for promoting parental involvement in schools**

9 **A. Definitions. Unless the context clearly indicates otherwise, the**  
10 **following words and terms, when used in this Section, shall have the following**  
11 **meanings:**

12 **(1) "Child" means a person who is less than the maximum age specified**  
13 **for compulsory school attendance as provided in R.S. 17:221.**

14 **(2) "Child day care center" means a facility licensed under the**  
15 **provisions of R.S. 46:1401 et seq., that provides child day care for seven or more**  
16 **children or a school that provides a child day care program authorized by R.S.**  
17 **17:81(E) or a similar program.**

1           **(3) "Employee" means a natural person who is paid compensation in**  
2           **return for the performance of services, is employed in a full-time position,**  
3           **whose wages or compensation are subject to withholding under R.S. 47:111**  
4           **through 120.3, and who is the parent or primary caregiver of a child who**  
5           **attends a child day care center or school. Employee, includes but is not limited**  
6           **to persons who are paid a salary, hourly wage, or commission in exchange for**  
7           **their performance of the services. Employee does not include an independent**  
8           **contractor, a person who performs services on a fee service basis, or a**  
9           **temporary or seasonal employee.**

10           **(4) "Employer" means any person, as provided for in Article 24 of the**  
11           **Louisiana Civil Code, who in this state pays compensation to an employee in**  
12           **exchange for the performance of services. Employer does not mean a person**  
13           **who is a client of an independent contractor or a client of a person who provides**  
14           **services on a fee service basis.**

15           **(5) "School" means an accredited public or private educational**  
16           **institution that provides educational services to children of compulsory**  
17           **attendance age.**

18           **B.(1) There shall be allowed a credit against the corporate income tax**  
19           **and the corporation franchise tax for employers who allow parents to take paid**  
20           **leave for a period of not more than seven hours per month during the school**  
21           **year for the purpose of participating in activities directly related to the**  
22           **employee's child at the school or child day care center attended by the**  
23           **employee's child. Such paid leave shall be in addition to any annual or vacation**  
24           **leave or sick leave or other similar benefit otherwise offered to the employee by**  
25           **the employer. An employee who wishes to request leave under this Section shall**  
26           **provide reasonable notice to the employer prior to the leave and make a**  
27           **reasonable effort to schedule the leave so as not to unduly disrupt the operations**  
28           **of the employer.**

29           **(2) The credit shall be an amount equal to two and one-half times the**

1 employee's hourly wages per hour of leave granted by the employer.

2 (3) Any such credit shall be taken as a credit against the corporate  
3 income or corporate franchise tax for the taxable year in which the employee  
4 is granted leave to participate in the child's activities. The total of all such  
5 credits taken in a taxable year shall not exceed the total tax liability for that  
6 taxable year.

7 C. The secretary of the Department of Revenue shall promulgate such  
8 rules and regulations as may be deemed necessary to carry out the purposes of  
9 this Section.

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

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

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#### DIGEST

Proposed law authorizes a credit against the corporate income tax and the corporation franchise tax for employers who allow parents to take paid leave for a period not more than seven hours per month during the school year for the purpose of participating in activities directly related to the employee's child at the school or child day care center attended by the employee's child.

Proposed law provides that the credit shall be an amount equal to two and one-half times the employee's hourly wages per hour of leave granted by the employer.

Proposed law provides that any such credit shall be taken as a credit against the corporate income or corporate franchise tax for the taxable year in which the participation is made by the employee. The total of all such credits taken in a taxable year shall not exceed the total tax liability for that taxable year.

Proposed law defines "child," "child day care center," "employee," "employer," and "school" for purposes of proposed law.

Proposed law authorizes the secretary of the Dept. of Revenue to promulgate rules as may be deemed necessary to carry out the purposes of this Section.

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

(Adds R.S. 47:6035)