

Prior law, relative to credits against income or corporate franchise tax, did not provide for the administration of tax credits which have an annual cap or a total program "cap" unless it was otherwise provided in the statute which granted the tax credit. Prior law did not provide a method for administration of the tax credits when the total credits requested on a single business day exceed the tax credits available under the "cap," unless it was otherwise provided in the statute granting the tax credit.

New law changes the general provision applicable to the administration of all tax credits to provide that, unless otherwise provided in the statute granting the tax credit, all tax credits which have an annual or total program "cap" will be administered on a first-come, first-serve basis. Additionally, an exception to this rule is provided in instances where the total tax credits requested on a single day exceed the tax credits available under the cap, in which case the credits will be approved on a pro rata basis unless otherwise provided by the statute granting the tax credit.

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

(Adds R.S. 47:1675(A)(6))