

Regular Session, 2013

SENATE BILL NO. 197

BY SENATORS RISER AND MORRELL AND REPRESENTATIVES BURFORD AND  
PATRICK WILLIAMS

TAX/TAXATION. Extends income tax credits for the rehabilitation of certain owner-occupied residential structures. (gov sig)

1 AN ACT  
2 To amend and reenact R.S. 47:297.6(A)(1) and (4) and to enact R.S. 47:297.6(C), relative  
3 to individual income tax credits; to extend the taxable periods in which the tax credit  
4 shall be applicable; to provide for an effective date; and to provide for related  
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:297.6(A)(1) and (4) are hereby amended and reenacted and R.S.  
8 47:297.6(C) and (D) are enacted to read as follows:

9 §297.6. Reduction to tax due; rehabilitation of residential structures  
10 A.(1) There shall be a credit against individual income tax liability due under  
11 this Title for the amount of eligible costs and expenses incurred during the  
12 rehabilitation of an owner-occupied residential or owner-occupied mixed use  
13 structure located in a National Register Historic District, a local historic district, a  
14 Main Street District, a cultural products district, or a downtown development district,  
15 or such owner-occupied residential structure which has been listed or is eligible for  
16 listing on the National Register, or such structure which has been certified by the  
17 State Historic Preservation Office as contributing to the historical significance of the

1 district, or a vacant and blighted owner-occupied residential structure located  
 2 anywhere in the state that is at least fifty years old. The tax credit authorized  
 3 pursuant to this Section shall be limited to one credit per structure rehabilitated. The  
 4 total credit shall not exceed twenty-five thousand dollars per structure. In order to  
 5 qualify for that credit, the rehabilitation costs for the structure must exceed ten  
 6 thousand dollars.

7 (a) If the credit is for the rehabilitation of an owner-occupied residential  
 8 structure, the credit shall be twenty-five percent of the eligible costs and expenses  
 9 of a rehabilitation for which an application for credit has been filed for the first time  
 10 after July 1, 2011. If the residential structure is owned and occupied by two or more  
 11 individuals, the applicable percentage shall be based on the sum of all owner-  
 12 occupants who contribute to the rehabilitation, and the credit will be divided between  
 13 the owner-occupants in proportion to their contribution to the eligible costs and  
 14 expenses.

15 (b) If the credit is for the rehabilitation of a vacant and blighted owner-  
 16 occupied residential structure that is at least fifty years old, the credit shall be fifty  
 17 percent of the eligible costs and expenses of a rehabilitation for which an application  
 18 for credit has been filed for the first time after July 1, 2011.

19 \* \* \*

20 (4) Any excess of the credit portion allowed in a taxable period over the  
 21 individual income tax liability for that taxable period against which the credit can be  
 22 applied shall constitute an overpayment, as defined in R.S. 47:1621(A), and the  
 23 secretary shall make a refund of such overpayment from the current collections of  
 24 the taxes imposed by Chapter 1 of Subtitle II of this Title, as amended. The right to  
 25 a refund of any such overpayment shall not be subject to the requirements of R.S.  
 26 47:1621(B).

27 \* \* \*

28 **C. The provisions of this Section shall be effective for the taxable years**  
 29 **ending prior to January 1, 2018.**

1           Section 2. 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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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

Riser (SB 197)

Present law authorizes an individual income tax credit for the amount of eligible costs and expenses incurred during the rehabilitation of an owner-occupied residential or owner-occupied mixed use structure located in a National Register Historic District, a local historic district, a Main Street District, a cultural products district, or a downtown development district, or such owner-occupied residential structure which has been listed or is eligible for listing on the National Register, or such structure which has been certified as contributing to the historical significance of the district, or a vacant and blighted owner-occupied residential structure located anywhere in the state that is at least 50 years old.

Proposed law retains present law and extends the tax credit to taxable years ending prior to Jan. 1, 2018.

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

(Amends R.S. 47:297.6(A)(1) and (4); adds R.S. 47:297.6(C))

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Removes insurance premium tax from tax credit.