
DIGEST

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HB 19 Original

2018 Second Extraordinary Session

Jackson

Abstract: Removes the sunset date on reductions in various rebates thereby making the reductions in the amount of the rebates permanent.

Present law (R.S. 51:2367) authorizes the secretary of the Dept. of Economic Development to grant a La. Mega Project Energy Assistance Rebate of severance taxes paid on natural gas to certain mega-projects when the secretary has determined that the consumption of energy will be a major cost component of the operation of the project. Present law provides that the maximum rebate is 80% of La. severance taxes paid on natural gas until June 30, 2018, after which the maximum rebate is 100% of such amount.

Present law (R.S. 51:2455) provides for the Quality Jobs Program, which authorizes the granting of contracts by the Bd. of Commerce and Industry to businesses for the purposes of providing rebates and tax credits for the achievement of certain performance by the business. The term of the contract is five years. Present law authorizes a rebate equal to the benefit rate as defined in present law multiplied by 80% of the gross payroll of new direct jobs until June 30, 2018, after which the maximum rebate is 100% of the gross payroll.

Present law (R.S. 51:3114) creates the Corporate Headquarters Relocation Program, which grants to a "qualified business" a contract to receive a relocation rebate to relocate or expand its "headquarters" in La. Present law authorizes a rebate of 20% of "relocation costs" until June 30, 2018, after which the maximum rebate is 25% of relocation costs.

Proposed law removes present law provisions for future increases in the following rebates by removing the June 30, 2018, sunset date on the La. Mega Project Energy Assistance Rebate, the Quality Jobs Program Rebate, the Corporate Headquarters Relocation Program Rebate thereby making the reduction in the amount of the rebate permanent.

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

(Amends §6 of Act No. 126 of 2015 R.S. as amended by Act No. 28 of 2016 1st E.S.; Repeals §3 of Act No. 126 of 2015 R.S. and §7 of Act No. 126 of 2015 R.S. as enacted by Act No. 28 of 2016 1st E.S.)