

---

The original instrument was prepared by Leonore F. Heavey. The following digest, which does not constitute a part of the legislative instrument, was prepared by Martha Hess.

---

DIGEST

SB 18 Reengrossed

2018 Second Extraordinary Session

Morrell

Present law provides for tax credits that include a carryforward provision that may be used if the taxpayer is unable to use the entire credit against tax for the year the tax credit was earned.

Present law provides for a tax credit registry for transferrable tax credits.

Proposed law provides for a tax credit registry for tax credits that are issued or earned for which the statute authorizing the tax credit provides for the carryforward of any tax credit balance that the taxpayer cannot use to offset tax on the return for the year in which the credit is earned.

Proposed law requires agencies issuing tax credits with carryforward provisions to remit information about the credit to the Department of Revenue when the credits are issued beginning January 1, 2019.

Proposed law requires taxpayers holding tax credits issued before January 1, 2018, that have a remaining carryforward balance and that were not granted by contract or for which no tax credit certificate was issued to register their tax credits on a return for the income tax period beginning on or after January 1, 2018 and before January 1, 2019, or the franchise tax period beginning on or after January 1, 2019 and before January 1, 2020, or the remaining tax credit carryforward balance will no longer be available to be claimed.

Proposed law requires taxpayers holding tax credits issued on or after January 1, 2018, that were not granted by contract or for which no tax credit certificate was issued shall claim the full tax credit balance on a return for the income tax period beginning on or after January 1, 2018 and before January 1, 2019, or the franchise tax period beginning on or after January 1, 2019 and before January 1, 2020.

Proposed law authorizes the Department of Revenue to make exceptions to the taxpayer registration requirements, provided that the secretary obtain the approval of the Joint Legislative Committee on the Budget before granting the exception.

Proposed law provides that the information in the tax credit registry is confidential. Further provides that the secretary shall include in the tax exemption budget information regarding the number, parish, industry group, and value of the entities which receive each tax credit, provided that the publication shall not include confidential information.

Proposed law authorizes the Department of Revenue to issue rules pursuant to the Administrative Procedure Act. Requires that the Joint Legislative Committee on the Budget, in addition to the

appropriate standing committees, approve the rules prior to being promulgated.

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

(Adds R.S. 47:1524.1)

### Summary of Amendments Adopted by Senate

#### Committee Amendments Proposed by Senate Committee on Finance to the engrossed bill

1. Removes provision that requires agencies issuing tax credits to remit information regarding credits issued in prior years by January 31, 2019.
2. Clarifies the periods that taxpayers holding tax credits issued before January 1, 2018, have to claim the remaining tax credit balance.
3. Provides that taxpayers holding tax credits issued on or after January 1, 2018, that were not granted by contract or for which no tax credit certificate was issued shall claim the full tax credit balance on a return for the income tax period beginning on or after January 1, 2018, and before January 1, 2019, or the franchise tax period beginning on or after January 1, 2019, and before January 1, 2020.
4. Provides for the approval of the Joint Legislative Committee on the Budget before granting the secretary can grant an exception to the taxpayer registration requirements.
5. Provides that the secretary shall include in the tax exemption budget information regarding the number, parish, industry group, and value of the entities which receive each tax credit, provided that the publication shall not include confidential information.
6. Requires that the Joint Legislative Committee on the Budget, in addition to the appropriate standing committees, approve any rules prior to their being promulgated.