

CONFERENCE COMMITTEE REPORT

SB 217

2021 Regular Session

Harris

June 7, 2021

To the Honorable President and Members of the Senate and to the Honorable Speaker and Members of the House of Representatives.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning Senate Bill No. 217 by Senator Harris, recommend the following concerning the Reengrossed bill:

- 1. That House Committee Amendments NO. 1 through NO. 8 proposed by House Committee on Ways and Means and adopted by the House of Representatives on May 19, 2021 be adopted.
- 2. That Legislative Bureau Amendments No. 1, 2, and 3 proposed by the Legislative Bureau and adopted by the House of Representatives on May 19, 2021 be adopted.
- 3. That Legislative Bureau Amendment No. 4 proposed by the Legislative Bureau and adopted by the House of Representatives on May 19, 2021 be rejected.
- 4. That the following amendments to the Reengrossed bill be adopted:

AMENDMENT NO. 1

On page 3, between lines 24 and 25, insert the following:
"(3) The following two types of credits against state income tax are hereby authorized under this Section:
(a) Tax credits based upon cargo volumes.
(b) Tax credits based upon project agreement with the Department of Economic Development."

AMENDMENT NO. 2

On page 5, line 24, after "**Development,**" delete the remainder of the line and delete lines 25 and 26, in their entirety and insert the following:
"a port facility user shall become eligible to earn port credits under this Subsection only upon execution of a project agreement between the state and the port facility user."

Respectfully submitted,

Senators:

Representatives:

Senator Jimmy Harris

Representative Stuart J. Bishop

Senator Joseph Bouie Jr.

Representative Jason Hughes

Senator R. L. Bret Allain II

Representative Mark Wright

The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Michael Bell.

CONFERENCE COMMITTEE REPORT DIGEST

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Keyword and summary of the bill as proposed by the Conference Committee

KEYWORD. TAX/TAXATION. Provides for the Louisiana Import Tax Credit. (gov sig)

Report adopts House amendments to:

1. Prohibit recipients of the port credit from receiving any other state tax credit, exemption, exclusion, deduction, rebate, or other tax benefit for which the taxpayer has received a port credit.
2. Require Dept. of Economic Development to provide the name and tax identification number of the applicant who is approved for port credits, the total amount of credits approved for the applicant, and other information to the Dept. of Revenue.
3. Authorize Dept. of Revenue to use collection remedies authorized in present law to recover credits that were granted and then subsequently disallowed.
4. Specify that the rules promulgated by the Dept. of Economic Development to implement the provisions of proposed law shall be in accordance with present law (Administrative Procedure Act) subject to oversight by the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs.

Report rejects Legislative Bureau Amendment which would have:

1. Allowed the credits to apply to any facility user seeking to earn the import credit instead of just those seeking eligibility by project agreement.

Report amends the bill to:

1. Clarify that tax credits against state income tax may be earned based only upon cargo volumes or project agreement with the Department of Economic Development.

Digest of the bill as proposed by the Conference Committee

Proposed law prohibits recipients of port credits from being eligible for import-export cargo tax credits or any other state tax credit, exemption, exclusion, deduction, rebate, or any other tax benefit for which the taxpayer has received a port credit. Further prohibits recipients of the import-export cargo tax credits from being eligible for port credits.

Proposed law requires DED to provide to the Dept. of Revenue (DOR) with the name and tax identification number of the applicant who is approved for port credits, the total amount of credits approved for the applicant, and any other information required by DOR.

Proposed law authorizes DOR to use any collection remedy authorized in present law to recover credits previously granted to a taxpayer, but later disallowed.

Proposed law authorizes DED to promulgate rules and regulations in accordance with the Administrative Procedure Act to implement the provisions of proposed law subject to oversight by the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs.

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

(Adds R.S. 47:6036.1)