

## RÉSUMÉ DIGEST

**ACT 404 (SB 28)**

**2025 Regular Session**

**Talbot**

New law authorizes a nonrefundable credit against income taxes for resident taxpayers who retrofit their residential property with a fortified roof meeting or exceeding the fortified roof standard established by the Insurance Institute for Business and Home Safety.

New law defines the terms "department", "qualifying property", and "secretary" for purposes of the tax credit program.

New law defines "qualified expenses" as costs of purchase and installation paid by a taxpayer to meet or exceed the fortified roof standard established by the Insurance Institute for Business and Home Safety on qualifying property.

New law provides that qualifying expenses do not include permit, inspection, and other similar costs required to obtain Insurance Institute for Business and Home Safety certification.

New law provides that qualifying property does not include new construction homes, condominiums, and mobile homes.

New law provides that the credit is equal to the amount of qualified expenses paid by the resident taxpayer and certified by the Insurance Institute for Business and Home Safety, hereinafter "department", not to exceed \$10,000 per resident taxpayer.

New law provides that the credit is earned when certified by the Insurance Institute for Business and Home Safety. Further provides that no qualifying property may receive more than one tax credit.

New law limits the amount of credits that may be granted in a fiscal year to \$10M. Further provides credits are issued on a first-come, first-serve basis and that if the total amount of credits issued exceeds the amount of credits authorized for tax year, the excess is treated as having been applied for on the first day of the subsequent year.

New law requires that all requests received on the same day are to be treated as received at the same time. Further requires the department to issue credits on a pro rata basis if the amount of requests received on a single business day exceeds the total amount available tax credits.

New law requires that the credit be allowed against the income tax for the taxable period in which the credit is earned. Further provides that if the tax credit allowed exceeds the amount of tax due, that any unused credit may be carried forward against subsequent income tax liability for a period not to exceed three years.

New law requires a resident taxpayer to apply for the tax credit by submitting an application to the Dept. of Revenue (DOR) on a form prescribed by the secretary. The application period shall begin on Jan. 1st and conclude on June 30th of the calendar year following the calendar year in which the credit is earned. New law requires the taxpayer to submit a copy of the certificate issued by the Insurance Institute for Business and Home Safety certifying compliance with the fortified roof building standards and all required documentation to DOR when applying for the tax credit.

New law provides for the recovery and recapture of credits by the secretary of DOR under certain circumstances. Further limits the amount of interest that may be assessed and collected on recovered or recaptured credits.

New law requires DOR to promulgate rules for program eligibility and any other matters necessary to carry out the intent of the program.

New law prohibits a taxpayer from receiving a tax credit for any grant amount received under the Louisiana Fortify Homes Program (R.S. 22:1483.1). Further prohibits a taxpayer from receiving any other state tax credit, exemption, exclusion, deduction, or any other tax benefit for which the taxpayer received a credit.

New law prohibits any credits from being earned after December 31, 2031.

Applicable to qualifying expenses paid on or after July 1, 2025.

Effective June 20, 2025.

(Adds R.S. 47:6044)