

RÉSUMÉ DIGEST

ACT 473 (HB 145)

2025 Regular Session

Wilder

Existing law provides for a construction code retrofitting income tax deduction for costs paid by a taxpayer to voluntarily retrofit an existing residential structure to bring the structure into compliance with the State Uniform Construction Code. Prohibits rental property and the value of costs paid from state, municipal, or federal financial incentives from qualifying for the deduction.

Prior law required a taxpayer to submit proof that the completed retrofitting work complies with the State Uniform Construction Code and information verifying the total cost of the project and that the project was voluntary when claiming the construction code retrofitting deduction on a tax return. New law requires instead that the Dept. of Revenue promulgate rules providing for the forms and documentation necessary for taxpayers to claim the deduction.

New law expands the class of costs qualifying for the deduction to include costs associated with bringing qualifying residential structures into compliance with the fortified home standards of the Insurance Institute for Business and Home Safety.

Existing law limits the amount of the deduction to 50% of the costs paid or incurred to retrofit a residential structure or a specified dollar amount, whichever is less. Prior law set the maximum amount of the deduction at \$5,000 per retrofitted residential structure. New law increases the maximum amount of the deduction to \$10,000 per retrofitted residential structure.

New law repeals the definition of "retrofit" applicable to the deduction.

New law applies to taxable periods beginning on or after January 1, 2026.

Effective January 1, 2026.

(Amends R.S. 47:293(2)(a)(i), (b), and (d); Repeals R.S. 47:293(2)(c) and (e))