

Regular Session, 2014

SENATE BILL NO. 63

BY SENATOR MORRELL

CRIME/PUNISHMENT. Provides criminal penalties for claiming a tax credit when a contractor has failed to meet contractual obligations relative to installation and maintenance of solar electric or thermal systems. (gov sig)

AN ACT

To enact R.S. 14:202.2, relative to criminal offenses against property; to create the crime of solar tax credit fraud; to provide criminal penalties when a person claiming a tax credit has failed to meet contractual obligations relative to the installation and maintenance of a solar electric system or solar thermal system; to provide relative to definitions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 14:202.2 is hereby enacted to read as follows:

§202.2. Solar electric and solar thermal system contractors; solar tax credit fraud

A. It shall be unlawful for any person who has received money from a contract for the sale, installation, maintenance, or repair of a solar electric system or solar thermal system, as defined in R.S. 47:6030(C), to claim a tax credit provided by R.S. 47:6030 or other provision of law against taxes owed to the state of Louisiana if the person:

(1) Has failed to perform or complete the installation of the system or failed to maintain or repair the system under the terms of the contract.

1 **(2) Fails to maintain or repair the system under the terms of the contract**
2 **subsequent to claiming the tax credit.**

3 **B.(1) When the aggregate amount of the tax credit claimed is one**
4 **thousand dollars or less, whoever violates the provisions of this Section upon**
5 **conviction shall be fined not less than one hundred dollars nor more than five**
6 **hundred dollars, or imprisoned, with or without hard labor, for not less than**
7 **ninety days nor more than six months, or both.**

8 **(2) When the aggregate amount of the tax credit claimed is greater than**
9 **one thousand dollars, whoever violates the provisions of this Section upon**
10 **conviction shall be fined not less than one hundred dollars nor more than five**
11 **hundred dollars, or imprisoned, with or without hard labor, for not less than**
12 **ninety days nor more than six months, or both, for each one thousand dollars**
13 **of the tax credit claimed, provided that the aggregate imprisonment shall not**
14 **exceed five years.**

15 **C. The district attorney shall notify the Department of Revenue in**
16 **writing of any prosecution under this Section.**

17 **D. Nothing contained in this Section shall be construed to prevent the**
18 **state, through the attorney general, from asserting a cause of action to recover**
19 **damages or penalties, or assess or collect a penalty, resulting from a violation**
20 **of this Section.**

21 Section 2. This Act shall become effective upon signature by the governor or, if not
22 signed by the governor, upon expiration of the time for bills to become law without signature
23 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
24 vetoed by the governor and subsequently approved by the legislature, this Act shall become
25 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Alden A. Clement Jr.

DIGEST

Morrell (SB 63)

Proposed law creates the crime of solar tax credit fraud.

Proposed law makes it unlawful for any person who has received money from a contract for the sale, installation, maintenance, or repair of a solar electric system or solar thermal system, as defined in present law, to claim a tax credit provided by present law against taxes owed to the state if the person:

- (1) Has failed to perform or complete the installation of the system or failed to maintain or repair the system under the terms of the contract.
- (2) Fails to maintain or repair the system under the terms of the contract subsequent to claiming the tax credit.

Proposed law provides the following penalties for violating proposed law:

- (1) When the aggregate amount of the tax credit claimed is \$1,000 or less, the person is to be fined not less than \$100 nor more than \$500, or imprisoned, with or without hard labor, for not less than 90 days nor more than six months, or both.
- (2) When the aggregate amount of the tax credit claimed is greater than \$1,000, the person is to be fined not less than \$100 nor more than \$500, or imprisoned, with or without hard labor, for not less than 90 days nor more than six months, or both, for each \$1,000 of the tax credit claimed, provided that the aggregate imprisonment cannot exceed five years.

Proposed law provides that the district attorney is to notify the Dept. of Revenue in writing of any prosecution under proposed law.

Proposed law provides that nothing contained in proposed law is to be construed to prevent the state, through the attorney general, from asserting a cause of action to recover damages or penalties, or assess or collect a penalty, resulting from a violation of proposed law.

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

(Adds R.S. 14:202.2)