Regular Session, 2014

HOUSE BILL NO. 708

BY REPRESENTATIVE GAROFALO

1	AN ACT
2	To amend and reenact R.S. 51:3121(C)(4)(c), relative to rebates; to provide with respect to
3	the Competitive Projects Payroll Incentive Program; to define qualified capital
4	expenditures for purposes of a rebate based on certain project facility expenses; to
5	provide for effectiveness; and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 51:3121(C)(4)(c) is hereby amended and reenacted to read as
8	follows:
9	§3121. Competitive Projects Payroll Incentive Program
10	* * *
11	C. Applications and contract approval and administration.
12	* * *
13	(4)
14	* * *
15	(c) In lieu of the sales and use tax rebate, a qualified business shall be
16	entitled to a project facility expense rebate equal to one and one-half percent of the
17	amount of qualified capital expenditures for the facility or facilities designated in the
18	contract. For purposes of this Subparagraph, the term "qualified capital
19	expenditures" means amounts classified as capital expenditures for federal income
20	tax purposes related to the project plus exclusions from capitalization provided for
21	in Internal Revenue Code Section 263 (a)(1)(A) through (L), minus the capitalized
22	cost of land, capitalized leases of land, capitalized interest, capitalized costs of
23	machinery and equipment to the extent capitalized manufacturing machinery and
24	equipment costs are excluded from sales and use tax pursuant to R.S. 47:301(3), and

ENROLLED

ACT No. 421

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1 the capitalized cost for the purchase of an existing building. When a qualified 2 business purchases an existing building and capital expenditures are used to rehabilitate the building, only the costs of the rehabilitation shall be considered 3 4 qualified capital expenditures. Additionally, a qualified business shall be allowed 5 to increase its qualified capital expenditures to the extent the qualified business' 6 capitalized basis is properly reduced by claiming a federal credit. A qualified 7 business earns the project facility expense rebate in the qualified business' business's 8 fiscal year in which the project is placed in service but the qualified business may not 9 be issued the project facility expense rebate until the Department of Economic 10 Development signs a project completion report or such other time as provided for by 11 rule or regulation. The project completion report for the project facility expense 12 rebate shall adhere to the same requirements found in R.S. 51:1787(A)(1)(a)(ii) for 13 the sales and use tax rebate. 14 15 Section 2. This Act shall become effective on July 1, 2014; if vetoed by the governor

and subsequently approved by the legislature, this Act shall become effective on July 1,
2014, or on the day following such approval by the legislature, whichever is later.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

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