

2015 Regular Session

HOUSE BILL NO. 466

BY REPRESENTATIVE BARRAS

TAX CREDITS: Provides for the eligibility of businesses to participate in the Enterprise Zone Program

1 AN ACT

2 To amend and reenact R.S. 51:1787(B)(3)(b), relative to incentives for businesses; to
3 provide with respect to the enterprise zone program; to provide for certain eligibility
4 requirements; to provide for applicability; to provide for effectiveness; and to
5 provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 51:1787(B)(3)(b) is hereby amended and reenacted to read as
8 follows:

9 §1787. Incentives

10 * * *

11 B. The board may enter into the contracts provided in Subsection A of this
12 Section provided that:

13 * * *

14 (3)

15 * * *

16 (b) In addition to the requirements of Subparagraph (a) of this Paragraph,
17 eligibility for a retail business which is assigned a North American Industry
18 Classification Code of 44, ~~or 45, or 722~~ shall be determined as follows:

19 (i) If such business ~~and~~ has more than ~~one hundred~~ fifty employees
20 nationwide including affiliates prior to the contract effective date, eligibility

1 shall be limited to grocery stores and pharmacies located in an enterprise
2 zone, as such terms are defined by the department by rules promulgated in
3 accordance with the Administrative Procedure Act.

4 (ii) If such business has fifty or fewer employees nationwide including
5 affiliates prior to the contract effective date, eligibility shall be limited to businesses
6 located in a parish with a population of seventy-five thousand or less and businesses
7 located in an enterprise zone within a parish with a population greater than seventy-
8 five thousand.

9 Section 2. The provisions of this Act shall apply to any contract for which an advance
10 notification form is filed on or after the effective date of this Act.

11 Section 3. This Act shall become effective upon signature by the governor or, if not
12 signed by the governor, upon expiration of the time for bills to become law without signature
13 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
14 vetoed by the governor and subsequently approved by the legislature, this Act shall become
15 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 466 Original

2015 Regular Session

Barras

Abstract: Changes eligibility requirements for enterprise zone contracts to receive sales tax rebates and income tax credits.

Present law establishes the enterprise zone program through which businesses may enter into contracts with the Board of Commerce and Industry to receive income tax credits or sales and use tax rebate payments in exchange for the creation of a certain number of jobs that involve employees who meet certain residency and other requirements.

Present law limits eligibility for retail businesses assigned a North American Industry Classification (NAICS) Code of 44 or 45 with more than 100 employees nationwide, including affiliates, to grocery stores and pharmacies located in an enterprise zone.

Proposed law adds a NAICS Code of 772 to the terms of eligibility and changes the number of employees required for a grocery store or pharmacy with the required NAICS Code located in an enterprise zone to be eligible from more than 100 employees nationwide to more than 50 employees nationwide.

Proposed law further provides that if the grocery store or pharmacy has 50 or fewer employees nationwide, including affiliates, eligibility is limited to businesses located in

either a parish with a population of 75,000 or less or in an enterprise zone within a parish with population greater than 75,000.

Proposed law is applicable to contracts for which an advance notification form is filed on or after the effective date of proposed law.

Effective upon signature of the governor.

(Amends R.S. 51:1787(B)(3)(b))