

2015 Regular Session

HOUSE BILL NO. 812

BY REPRESENTATIVE STOKES

TAX CREDITS: Provides for the carry forward rather than the refund of the tax credit for ad valorem taxes paid on certain offshore vessels

1 AN ACT

2 To amend and reenact R.S. 47:6006.1(C) and (D), relative to income and corporation
3 franchise tax credits; to provide with respect to the tax credit for ad valorem taxes
4 paid on certain offshore vessels; to provide with respect to authorization for issuance
5 of refunds for tax credits which exceed taxpayer tax liability; to provide for certain
6 limitations; to provide for effectiveness; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:6006.1(C) and (D) are hereby amended and reenacted to read as
9 follows:

10 §6006.1. Tax credits for taxes paid with respect to vessels in Outer Continental
11 Shelf Lands Act Waters

12 * * *

13 ~~C. Notwithstanding any other provision of law to the contrary in Title 47 of~~
14 ~~the Louisiana Revised Statutes of 1950, as amended, any excess of allowable credit~~
15 ~~established by this Section over the aggregate tax liabilities against which such credit~~
16 ~~can be applied, as provided in this Section, shall constitute an overpayment, as~~
17 ~~defined in R.S. 47:1621(A), and the secretary shall make a refund of such~~
18 ~~overpayment from the current collections of the taxes imposed by Chapter 1 or~~
19 ~~Chapter 5 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, as~~
20 ~~amended, together with interest as provided in R.S. 47:1624. The right to a credit~~
21 ~~or refund of any such overpayment shall not be subject to the requirements of R.S.~~
22 ~~47:1621(B).~~ If the amount of the credit exceeds the amount of tax liability for the

Lands Act Waters as certified to the assessor pursuant to present law within the calendar year immediately preceding the taxable year of assessment of the vessel. The amount of the credit shall be equal to 100% of the ad valorem taxes paid to political subdivisions.

Present law provides that the taxpayer is entitled to a refund for any allowable credit which exceeds the aggregate tax liability of the taxpayer. Further requires the Dept. of Revenue to refund the excess tax credit amount to the taxpayer from current tax collections and to pay or disallow claims for credits, refunds, and interest within ninety days of receiving a tax credit or refund claim.

Proposed law changes the tax credit from a refundable credit to one in which credit amounts which exceed taxpayer liability may be carried forward against subsequent income or corporation franchise tax liability for up to five years. Proposed law removes references to refunds and interest from the requirement that the secretary pay tax credit amounts within one year of receipt of the tax credit claim.

Applicable to tax years beginning on or after Jan. 1, 2015.

(Amends R.S. 47:6006.1(C) and (D))