

SENATE BILL NO. 10

BY SENATOR WARD

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AN ACT

To amend and reenact R.S. 47:2327 and 6006(C)(3) and to enact R.S. 47:6006(B)(3), relative to the ad valorem tax on inventories and related income tax credits; to provide with regard to the confidentiality of tax records; to provide with regard to the definition of manufacturer for the purpose of tax credits for local inventory taxes paid; to provide for certain limitations; to provide for effectiveness; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:2327 is hereby amended and reenacted to read as follows:

§2327. Confidentiality of forms

Forms filed by a taxpayer pursuant to this ~~Act~~ **Part** shall be confidential and shall be used by the assessor, the governing authority, ~~and~~ the Louisiana Tax Commission, **and the Louisiana Department of Revenue**, solely for the purpose of administering the provisions of this ~~Act~~ **Part and verifying eligibility for tax credits claimed under R.S. 47:6006**. Such forms shall not be subject to the provisions ~~relative to public records as set forth in Title 44 of the Louisiana Revised Statutes of 1950~~ **of the Public Records Law**, provided however, that such forms shall be admissible in evidence and subject to discovery in judicial or administrative proceedings according to general law relating to the production and discovery of evidence.

Section 2. R.S. 47:6006(C)(3) is hereby amended and reenacted and R.S. 47:6006(B)(3) is hereby enacted to read as follows:

§6006. Tax credits for local inventory taxes paid

* * *

B. * * *

1 (3) Notwithstanding any provision in this Section to the contrary, for a
 2 manufacturer, as defined in Subparagraph (b) of Paragraph (3) of Subsection
 3 C of this Section, and for all related parties, affiliates, subsidiaries, parent
 4 companies, or owners of such manufacturer for the inventory held that is
 5 related to the business of such manufacturer, if the amount of the credit
 6 authorized pursuant to Subsection A of this Section exceeds the amount of tax
 7 liability for the tax year, the excess credit may only be carried forward as a
 8 credit against subsequent Louisiana income or corporation franchise tax
 9 liability for a period not to exceed five years and shall not be refundable. The
 10 secretary shall promulgate rules to ensure that taxpayers affiliated with or
 11 related to any other entity through common ownership by the same interests or
 12 as a parent or subsidiary shall be considered one taxpayer for the purpose of the
 13 limitations on refundability provided for in this Paragraph. This rulemaking
 14 authority shall be in addition to the rulemaking authority provided for
 15 elsewhere in this Title.

16 C. For purposes of this Section, the following terms shall have the meanings
 17 ascribed to them:

18 * * *

19 (3) "Manufacturer" ~~means a~~ shall mean one of the following:

20 (a) A person engaged in the business of working raw materials into wares
 21 suitable for use or which gives new shapes, qualities, or combinations to matter
 22 which already has gone through some artificial process.

23 (b) A person who meets the definition of "manufacturer" as provided in
 24 Subparagraph (a) of this Paragraph and who has claimed the ad valorem
 25 exemption under Article VII, Section 21(F) of the Constitution of Louisiana
 26 during the taxable year in which the local inventory taxes were levied.

27 * * *

28 Section 3.(A) The provisions of Section 2 of this Act shall apply to all claims for
 29 these credits, as provided for in this Act, on any return filed on or after July 1, 2016,
 30 regardless of the date of the taxable year to which the return relates.

1 (B) The provisions of Section 2 of this Act shall not apply to an amended return filed
2 on or after July 1, 2016, provided that these credits, as provided for in this Act, were
3 properly claimed on an original return filed prior to July 1, 2016.

4 Section 4. This Act shall become effective upon signature by the governor or, if not
5 signed by the governor, upon expiration of the time for bills to become law without signature
6 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
7 vetoed by the governor and subsequently approved by the legislature, this Act shall become
8 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____