The original instrument was prepared by Leonore F. Heavey. The following digest, which does not constitute a part of the legislative instrument, was prepared by James Benton.

DIGEST

SB 150 Engrossed | 2017 Regular Session | Chabert

Present law provides for an investor tax credit of up to $1.8 million per project for 72% of the capital costs associated with a qualifying port project that is approved by the commission of administration, the Joint Legislative Committee on the Budget, and the State Bond Commission. Proposed law removes the requirement of prior approval by the State Bond Commission.

Present law provides that the 72% credit rate and the $1.8 million per project cap are effective through June 30, 2018, and will increase to a 100% credit rate and a $2.5 million per project cap on and after July 1, 2018. Proposed law removes the July 1, 2018, increase and retains the credit rate and per project cap at their current levels for the remainder of the program.

Present law provides an annual program cap for the investor credit of $4.5 million until June 30, 2018, and provides that the annual cap will increase to $6.25 million thereafter. Proposed law increases the annual program cap for the investor credit to $6.25 million for the remainder of the program.

Present law provides for an import-export cargo tax credit of up to $1.8 million per taxpayer at the rate of $3.60 per ton of qualified cargo that is approved by the commission of administration, the Joint Legislative Committee on the Budget, and the State Bond Commission. Proposed law removes the requirement of prior approval by the State Bond Commission.

Present law defines "pre-certification tonnage" as the number of tons of qualified cargo owned by the international business entity receiving the credit, imported or exported, and which were moved by way of an oceangoing vessel berthed at public port facilities in this state during the 2013 calendar year.

Proposed law retains this provision but provides that the vessel was berthed at public port facilities in the state during the year prior to the year in which the import-export cargo credit application is submitted.

Present law provides that the $3.60 per ton credit rate and the $1.8 million per taxpayer cap are effective through June 30, 2018, and will increase to a $5 per ton credit rate and a $2.5 million per taxpayer cap on and after July 1, 2018. Proposed law removes the July 1, 2018, increase and retains the credit rate and per taxpayer cap at their current levels for the remainder of the program.

Present law provides an annual program cap for the cargo credit of $4.5 million until June 30, 2018, and provides that the annual cap will increase to $6.25 million thereafter. Proposed law increases the annual program cap for the cargo credit to $6.25 million for the remainder of the program.

Present law terminates both the investor credit and the import-export cargo credit on January 1, 2020. Proposed law extends the termination date of both credits to July 1, 2021.

Present law requires the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs to review the credit to determine if the economic benefit provided by the credit outweighs the loss of revenue realized by the state as a result of awarding the credit. Requires the House and Senate committees to make their recommendations no later than March 1, 2017, to either continue the credit or to terminate the credit. Proposed law repeals the review and reporting requirement.

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

(Amends R.S. 47:6036(C)(1)(b), (G), (I)(1)(intro para), (I)(1)(c) and (2)(a); repeals R.S. 47:6036(K))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Makes the base year the previous year for cargo credits.