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 Ann S. Brown.

DIGEST 2017 Regular Session

SB 178 Reengrossed

Morrell

<u>Present law</u> [R.S. 47:4331] authorizes the secretary of the Department of Economic Development to contract with an eligible corporation to allow the use of a single sales factor in determining their Louisiana corporation income and franchise tax.

<u>Proposed law</u> prohibits execution of any new contracts authorizing the use of the single sales factor on or after July 1, 2021.

<u>Present law</u> [R.S. 47:6020] provides for the angel investor tax credit program that authorizes tax credits for investments in a "Louisiana Entrepreneurial Business". Provides that the angel investor tax credit program sunsets on July 1, 2017. <u>Proposed law</u> extends the sunset date to July 1, 2021, and provides that no credits shall be reserved under the program for reservation applications on or after July 1, 2021.

<u>Present law</u> [R.S. 47:6023] provides for a sound recording investor tax credit for eligible production costs of state-certified productions. <u>Proposed law</u> provides that no sound recording investor tax credits shall be earned for applications received on or after July 1, 2021.

<u>Present law</u> [R.S. 47:6037] provides a tax credit for green job industries that will be funded once the state Department of Natural Resources receives certification from the U.S. Department of Energy.

<u>Proposed law</u> provides that no green job industries credit shall be allowed for applications received on or after July 1, 2017.

<u>Present law</u> [R.S. 51:1807] provides a tax exemption from state income or franchise taxes for the employment of certain individuals in urban revitalization zones. <u>Proposed law</u> prohibits the execution of urban revitalization tax exemption contracts on or after July 1, 2017.

<u>Present law</u> [R.S. 51:2356] authorizes a technology commercialization tax credit program for investments in commercialization costs for a qualified business location and that no credits shall be earned after December 31, 2017. Proposed law provides that no credits be earned after July 1, 2017,

<u>Present law</u> provides for the Motion Picture Incentive Act that provides sales tax exemptions and income and franchise tax payroll credits to productions that received their state certification before December 31, 2005. <u>Proposed law</u> repeals the Motion Picture Incentive Act.

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

(Amends R.S. 51:2356; adds R.S. 47:4331(G), 6020(G), 6023(J), 6037(J), and R.S. 51:1807(F); repeals R.S. 47:1121-1128, and §3 of Acts 2011, No. 414 as amended by Acts 2015, No. 104)

Summary of Amendments Adopted by Senate

<u>Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to</u> the original bill

- 1. Removes provisions that no musical and theatrical production income tax credits be allowed for applications received on or after July 1, 2021.
- 2. Extends <u>from</u> July 1, 2017, <u>to</u> July 1, 2021, the date after which the Department of Economic Development cannot allocate tax credits under the modernization tax credit program.
- 3. Removes provisions that repeal the Brownsfield Investor Tax Credit program.

Senate Floor Amendments to engrossed bill

- 1. Removes provisions that establishes termination dates for the following tax credits and incentives programs:
 - a. Contracts granted by the State Board of Commerce and Industry to new and existing manufacturing industries. [R.S. 47:3204 & R.S. 47:4305]
 - b. The Small Business Innovation Research Grant (SBIRG) program. [R.S. 47:6015]
 - c. The digital interactive media and software tax credit program. [R.S. 47:6022]
 - d. The Ports of Louisiana investor tax credit or import-export cargo tax credit program. [R.S. 47:6036]
 - e. The qualified retention and modernization expenditures tax credit program. [R.S. 51:2399.3]
- 2. Extends the date that no sound recording investor tax credits shall be earned for applications submitted <u>from</u> July 1, 2017, <u>to</u> July 1, 2021.