

2018 Second Extraordinary Session

SENATE BILL NO. 17

BY SENATOR MORRELL

TAX/AD VALOREM. Phases out the tax credit for ad valorem taxes paid on inventory.  
(Item #21) (8/1/18)

1 AN ACT

2 To enact R.S. 47:6006(G), relative to tax credits; to terminate the credit for ad valorem taxes  
3 paid on inventory; to provide for transition provisions; and to provide for related  
4 matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:6006(G) is hereby enacted to read as follows:

7 §6006. Tax credits for local inventory taxes paid

8 \* \* \*

9 **G.(1) No credit is authorized pursuant to this Section for ad valorem**  
10 **taxes paid on or after January 1, 2022.**

11 **(2) Refundable credits earned for ad valorem taxes paid before January**  
12 **1, 2022, shall be claimed no later than December 31, 2023. Any remaining credit**  
13 **not claimed on a properly filed original or amended return filed on or before**  
14 **December 31, 2023, shall be void and have no value.**

15 **(3) Carry forwards of nonrefundable credits earned for ad valorem taxes**  
16 **paid before January 1, 2022, shall be claimed no later than December 31, 2025.**  
17 **Any remaining nonrefundable credits not claimed as a credit on a properly filed**

1            **original or amended return filed on or before December 31, 2025, shall be**  
2            **converted to an income tax deduction and shall be used on the tax return for the**  
3            **taxpayer's taxable year that includes December 31, 2025.**

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Leonore Heavey.

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DIGEST

SB 17 Original

2018 Second Extraordinary Session

Morrell

Present law authorizes a credit for ad valorem taxes paid on certain inventory and stored natural gas.

Proposed law terminates this credit for ad valorem taxes paid on or after January 1, 2022.

Proposed law renders any refundable tax credits for ad valorem taxes paid void if the tax credits are not claimed by December 31, 2023.

Proposed law requires carry forwards of nonrefundable credits to be claimed by December 31, 2025, and converts any carry forwards of nonrefundable credit not claimed as credits to an income tax deduction.

Effective August 1, 2018.

(Adds R.S. 47:6006(G))