

2018 Second Extraordinary Session

HOUSE BILL NO. 19

BY REPRESENTATIVE JACKSON

TAX/TAX REBATES: Provides for continued effectiveness of reductions in the amount of certain rebates (Item #15)

1 AN ACT

2 To amend Section 6 of Act No. 126 of the 2015 Regular Session of the Legislature as
3 amended by Act No. 28 of the 2016 First Extraordinary Session of the Legislature
4 and to repeal Section 3 of Act No. 126 of the 2015 Regular Session of the
5 Legislature and Section 7 of Act No. 126 of the 2015 Regular Session of the
6 Legislature as enacted by Act No. 28 of the 2016 First Extraordinary Session of the
7 Legislature, relative to certain rebates; to provide for continued effectiveness of
8 certain rebate reductions; to provide for an effective date; and to provide for related
9 matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. Section 6 of Act No. 126 of the 2015 Regular Session of the Legislature
12 as amended by Act No. 28 of the 2016 First Extraordinary Session of the Legislature is
13 hereby amended and reenacted to read as follows:

14 * * *

15 Section 6. The provisions of Section 2 of this Act shall become effective on
16 July 1, 2015, and shall remain effective through June 30, 2023. The provisions of
17 Section 3 of this Act shall become effective on July 1, 2023. ~~In the event the Act~~
18 ~~that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the~~
19 ~~Legislature is enacted and becomes effective, the provisions of Section 2 of this Act~~

1 shall remain in effect through the sunset date in the Act that originated as House Bill
2 No. 62 of the 2016 First Extraordinary Session of the Legislature.

3 * * *

4 Section 2. Section 3 of Act No. 126 of the 2015 Regular Session of the Legislature
5 and Section 7 of Act No. 126 of the 2015 Regular Session of the Legislature as enacted by
6 Act No. 28 of the 2016 First Extraordinary Session of the Legislature are hereby repealed
7 in their entirety.

8 Section 3. This Act shall become effective upon signature by the governor or, if not
9 signed by the governor, upon expiration of the time for bills to become law without signature
10 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
11 vetoed by the governor and subsequently approved by the legislature, this Act shall become
12 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 19 Engrossed 2018 Second Extraordinary Session Jackson

Abstract: Extends the sunset date on reductions in various rebates from June 30, 2018 to June 30, 2023.

Present law (R.S. 51:2367) authorizes the secretary of the Dept. of Economic Development to grant a La. Mega Project Energy Assistance Rebate of severance taxes paid on natural gas to certain mega-projects when the secretary has determined that the consumption of energy will be a major cost component of the operation of the project. Present law provides that the maximum rebate is 80% of La. severance taxes paid on natural gas until June 30, 2023, after which the maximum rebate is 100% of such amount.

Present law (R.S. 51:2455) provides for the Quality Jobs Program, which authorizes the granting of contracts by the Bd. of Commerce and Industry to businesses for the purposes of providing rebates and tax credits for the achievement of certain performance by the business. The term of the contract is five years. Present law authorizes a rebate equal to the benefit rate as defined in present law multiplied by 80% of the gross payroll of new direct jobs until June 30, 2023, after which the maximum rebate is 100% of the gross payroll.

Present law (R.S. 51:3114) creates the Corporate Headquarters Relocation Program, which grants to a "qualified business" a contract to receive a relocation rebate to relocate or expand its "headquarters" in La. Present law authorizes a rebate of 20% of "relocation costs" until June 30, 2023, after which the maximum rebate is 25% of relocation costs.

Proposed law changes the present law provisions for future increases in the following rebates by extending the sunset date of the reductions from June 30, 2018 to June 30, 2023 on the La. Mega Project Energy Assistance Rebate, the Quality Jobs Program Rebate, the

Corporate Headquarters Relocation Program Rebate thereby making the reduction in the amount of the rebate permanent.

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

(Amends §6 of Act No. 126 of 2015 R.S. as amended by Act No. 28 of 2016 1st E.S.; Repeals §3 of Act No. 126 of 2015 R.S. and §7 of Act No. 126 of 2015 R.S. as enacted by Act No. 28 of 2016 1st E.S.)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Delete provisions making the reductions in the amount of the rebates permanent.
2. Continue effectiveness of the reduction in the amount of the rebates through June 30, 2023.