

GREEN SHEET REDIGEST

HB 13

2020 First Extraordinary Session

Wright

TAX CREDITS: Authorizes certain retail businesses to participate in the Enterprise Zone incentive (Item #18)

DIGEST

Present law establishes the Enterprise Zone program (program) which authorizes eligible businesses to enter into contracts with the Board of Commerce and Industry to receive refundable income and franchise tax credits or state and local sales and use tax rebate payments in exchange for the creation of a specified number of jobs that involve employees who meet certain residency and other requirements. Present law provides for eligibility and qualifications for participation in the program.

Present law excludes certain retail businesses such as professional employment services, hotels, and certain retail stores whose advance notification was not filed before April 1, 2016, from participating in the program.

Proposed law retains present law but expands eligibility for participation in the program to businesses assigned a North American Industry Classification Code (NAICS) of 44, 45, 721, or 722 for retailers, hotels, and restaurants with no more than 50 employees nationwide including affiliates prior to the contract effective date. Further requires those businesses to file or enter into an advance notification between July 1, 2020, and Dec. 31, 2021, in order to be eligible to participate in the program.

Proposed law prohibits businesses added by proposed law from participating in the program after June 30, 2025.

Present law prohibits the Dept. of Economic Development from accepting any advance notification on or after July 1, 2021.

Proposed law changes present law to extend termination of the program from July 1, 2021, to July 1, 2026.

Effective July 1, 2020.

(Amends R.S. 51:1787(B)(3)(c) and (K); adds R.S. 51:1787(B)(3)(e))

Summary of Amendments Adopted by Senate

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

1. Limits eligibility for participation in the program to retail businesses with no more than 50 employees nationwide including affiliates before the contract effective date.