SENATE FLOOR AMENDMENTS

2021 Regular Session

Amendments proposed by Senator Bouie to Reengrossed House Bill No. 680 by **Representative Hughes**

1 AMENDMENT NO. 1

On page 1, line 2, after "6028" insert "and 6033" 2

3 AMENDMENT NO. 2

- 4 On page 1, line 3, after "Program" insert "to provide with respect to apprenticeship tax
- credits; to authorize a procedure for granting apprenticeship tax credits against income and 5 corporation franchise tax to certain employers;" 6
- 7 AMENDMENT NO. 3

8 On page 1, line 7, change "R.S. 47:6028 is" to "R.S. 47:6028 and 6033 are "

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- 9 AMENDMENT NO. 4
- 10 On page 5, between lines 5 and 6, insert the following:

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11 12 §6033. Apprenticeship tax credits 13 A. Purpose. The legislature hereby determines that a major 14 impediment to the economy of the state is the lack of an adequate number of 15 people in the workforce with sufficient on the job training to find and keep 16 good paying jobs already present and those that would be here if more of the 17 workforce was of higher skill level or experience. Further, the legislature 18 finds that a tax credit that provides an incentive for businesses to employ 19 apprentices will provide a step toward creating and maintaining such a 20 workforce. 21 B. Definitions. 22 (1) "Department" means the Louisiana Department of Revenue. 23 (2) "Eligible apprentice" means a person who: 24 (a) has entered into a written apprentice agreement with an employer 25 or an association of employers pursuant to a registered apprenticeship program as provided for in Chapter 4 of Title 23 of the Louisiana Revised 26 27 Statutes of 1950 (R.S. 23:381 et seq.); or 28 (b) is enrolled in a training program accredited by the National Center 29 for Construction Education and Research which has no less than four levels 30 of training and no less than five hundred hours of instruction. 31 C. Administration of the Credit. For taxable periods beginning after 32 December 31, 2021, there shall be allowed a non-refundable tax credit 33 against Louisiana income tax or corporation franchise tax for the 34 employment of eligible apprentices as provided for in this Section. 35 (1) For each eligible apprentice employed for a minimum of two 36 hundred fifty hours during the taxable period, an employer shall be eligible 37 for a credit equal to one dollar and twenty-five cents per hour of employment 38 for a maximum credit of one thousand two hundred fifty dollars per eligible 39 apprentice. 40 (2) The total amount of tax credits granted by the department in any 41 calendar year shall not exceed two million five hundred thousand dollars. 42 The department shall establish the method of allocating available tax credits 43 to employers including but not limited to a first-come, first-served system, 44 reservation of tax credits for a specific time, or other method that the 45 department, in its discretion, may find beneficial to the program by rule. If 46 the department does not grant the entire two million five hundred thousand

1	dollars in tax credits in any calendar year, the amount of residual unused tax
2	credits shall carry forward to subsequent calendar years and may be granted
3	in any year without regard to the two million five hundred thousand dollar
4	per year limitation.
5	(3) The department, in consultation with the Louisiana Workforce
6	Commission, shall establish by regulation the procedures sufficient to
7	determine the employer's eligibility for the credit.
8	(4) The Louisiana Workforce Commission shall provide an annual list
9	of businesses that participate in the apprenticeship programs administered by
10	the agency to the department.
11	(5) The department shall determine the enrollment and transcript data
12	required from the National Center for Construction Education and Research
13	for students enrolled in one of its accredited training programs that is
14	sufficient for the department to determine the employer's eligibility for the
15	credit authorized by this Section. However, in order for an employer to be
16	eligible for a credit, a student enrolled in a training program accredited by the
17	National Center for Construction Education and Research must have
18	successfully completed no less than two levels of training and no less than
19	two hundred fifty hours of instruction.
20	D. Application of the Credit.
21	(1) The credit shall be allowed against the income or franchise tax
22	due from a taxpayer for the taxable period in which the credit is earned. If the
23	tax credit allowed pursuant to this Section exceeds the amount of such taxes
24	due from a taxpayer, then the taxpayer as a credit may carry any unused
25	credit forward to be applied against subsequent tax liability for a period not
26	to exceed five years. However, in no event shall the amount of the tax credit
27	applied by a taxpayer in a taxable period exceed the amount of such taxes
28	due from the taxpayer for that taxable period.
29	(2) All entities taxed as corporations for Louisiana income tax
30	purposes shall claim any credit on their corporation income and franchise tax
31	return.
32	(3) Individuals, estates, and trusts shall claim any credit on their
33	income tax return.
34	(4) Entities not taxed as corporations shall claim their share of any
35	credit on the returns of the partners or members as follows:
36	(a) Corporate partners or members shall claim their share of any
37	credit on their corporation income tax returns.
38	(b) Individual partners or members shall claim their share of any
39	credit on their individual income tax returns.
40	(c) Partners or members that are estates or trusts shall claim their
41	share of any credit on their fiduciary income tax returns.
42	E. Recovery of credits by Department of Revenue. Credits previously
43	granted to a taxpayer, but later disallowed, may be recovered by the secretary
44	of the Department of Revenue through any collection remedy authorized by
45	<u>R.S. 47:1561.3.</u>
46	F. The department may promulgate rules in accordance with the
47	Administrative Procedure Act to establish the policies and criteria regarding
48	program eligibility and any other matter necessary to carry out the intent and
49 50	purposes of this Section.
50	G. No credit shall be granted for the employment of eligible
51	apprentices before January 1, 2022, or after December 31, 2028."