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## DIGEST

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HB 513 Original

2023 Regular Session

Magee

**Abstract:** Authorizes an insurance premium tax credit for retaliatory taxes paid to any other state by a La. domestic insurer which is authorized to write and does write insurance in La. and in at least one other state.

Present law with regard to retaliatory fees, provides that when any other state imposes additional fees, taxes, or penalties on La. insurers doing business in the other state, La. shall impose the same additional fees, taxes, and penalties on the other state's insurers doing business in Louisiana. Present law requires insurers organized under other state's laws that are admitted to transact business in La. to pay the same fees to the commissioner of insurance as any other state may require of any similar insurer incorporated by or organized under the laws of La.

Proposed law retains present law.

Proposed law establishes an insurance premium tax credit for any La. domestic insurer authorized to write and does write insurance in this state and writes insurance in at least one other state as of July 1, 2023. The amount of the credit shall be the amount of any retaliatory tax paid to any other state.

Proposed law provides that the credit shall apply against the domestic insurer's state premium tax liability. Further provides that unused amounts of the credit may be carried forward for future premium tax liability for a period not to exceed 10 years or the domestic insurer may transfer unclaimed amounts of the credit to an affiliated insurer or may sell unclaimed amounts of the credit to another La. taxpayer. Transfers and sales of unused tax credit amounts shall be subject to the same requirements provided for in present law for the La. New Markets Jobs Act (R.S. 47:6016.1(D)).

Proposed law requires the credit established in proposed law to be administered by the Dept. of Revenue (DOR). Proposed law authorizes the secretary of DOR, in consultation with the Commissioner of Insurance, to promulgate rules in accordance with the Administrative Procedure Act as are necessary to implement the provisions of proposed law.

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

(Amends R.S. 22:836)