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**SENATE FLOOR AMENDMENTS**

2024 Third Extraordinary Session

Amendments proposed by Senator Foil to Reengrossed House Bill No. 2 by Representative Emerson

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**AMENDMENT NO. 1**

2 Delete the set of Senate Committee Amendments ( SCAHB2 CLAPINSKID 135) proposed  
3 by the Senate Committee on Revenue and Fiscal Affairs and adopted by the Senate on  
4 November 19, 2024.

**AMENDMENT NO. 2**

6 On page 1, line 2, after "4302(B)," delete the remainder of the line and delete line 3 and  
7 insert "6006(A), (B)(1)(introductory paragraph), (2), and (4), (D), and (E), 6007(J)(1)(b)(i)  
8 and (c) and (2)(a), 6019(A)(1)(e), 6020(H), and 6023(I) and"

**AMENDMENT NO. 3**

10 On page 1, line 4, after "to enact R.S." and before "287.744" change "47:287.73(C)(6)," to  
11 "47:287.71(B)(9), 287.73(C)(6),"

**AMENDMENT NO. 4**

13 On page 1, line 4, after "3204(M)," delete "and" and at the beginning of line 5, delete  
14 "6022(M)" and insert "6007(J)(1)(d), and 6015(M)"

**AMENDMENT NO. 5**

16 On page 1, line 10, after "47:6005(G)," delete "6006," and insert "6006(F) through (H),"

**AMENDMENT NO. 6**

18 On page 2, line 1, after "rate;" and before "to establish" insert "to provide for certain  
19 modifications to federal gross income;"

**AMENDMENT NO. 7**

21 On page 2, line 2, after "depreciation" and before the semicolon ";" insert "and amortization"

**AMENDMENT NO. 8**

23 On page 2, line 4, after "liability;" and before "to repeal" insert "to provide relative to the  
24 motion picture production tax credit; to provide relative to the research and development tax  
25 credit; to provide relative to the tax credit for rehabilitation of historic structures; to provide  
26 for credit caps;"

**AMENDMENT NO. 9**

28 On page 2, line 13, after "4302(B)," delete the remainder of the line and delete line 14 in its  
29 entirety and insert "6006(A), (B)(1)(introductory paragraph), (2), and (4), (D), and (E),  
30 6007(J)(1)(b)(i) and (c) and (2)(a), 6019(A)(1)(e), 6020(H), and 6023(I) are hereby amended  
31 and"

**AMENDMENT NO. 10**

33 On page 2, line 15, after "reenacted and R.S." and before "287.744," change  
34 "47:287.73(C)(6)," to "47:287.71(B)(9), 287.73(C)(6),"

1 AMENDMENT NO. 11

2 On page 2, line 15, after "3204(M)," and before "are hereby" delete "and 6022(M)" and  
3 insert "6007(J)(1)(d), and 6015(M)"

4 AMENDMENT NO. 12

5 On page 2, at the beginning of line 18, delete "A."

6 AMENDMENT NO. 13

7 On page 2, line 18, after "2025," delete the remainder of the line and at the beginning of line  
8 19, delete "January 1, 2026,"

9 AMENDMENT NO. 14

10 On page 3, delete lines 1 through 3

11 AMENDMENT NO. 15

12 On page 3, between lines 4 and 5, insert the following:

13 "§287.71. Modifications to federal gross income

14 \* \* \*

15 B. There shall be subtracted from gross income determined under federal  
16 law, unless already excluded therefrom, the following items:

17 \* \* \*

18 (9) An amount equal to twenty thousand dollars for any taxpayer subject to  
19 the corporation income tax levied pursuant to the provisions of R.S. 47:287.11.

20 \* \* \*"

21 AMENDMENT NO. 16

22 On page 6, between lines 15 and 16, insert the following:

23 "§6006. Tax credits for local inventory taxes paid

24 A.(1) There shall be allowed a credit against ~~any~~ Louisiana individual income  
25 ~~or corporation franchise~~ tax for ad valorem taxes paid to political subdivisions on  
26 inventory held by manufacturers, distributors, and retailers.

27 (2) There shall be allowed a credit against ~~any~~ Louisiana individual income  
28 ~~or corporation franchise~~ tax for ad valorem taxes paid to political subdivisions on  
29 natural gas held, used, or consumed in providing natural gas storage services or  
30 operating natural gas storage facilities.

31 (3)Notwithstanding the provisions of Paragraphs (1) and (2) of this  
32 Subsection, no credit shall be allowed for taxpayers taxed as a C-corporation for  
33 federal income tax purposes for taxable periods beginning on or after July 1, 2026.  
34 However, any such taxpayer may carry forward any remaining credits for an  
35 additional five years from the date that the credits would have expired under the  
36 provisions of this Section. This additional carry forward period shall not apply to  
37 any credits for which the carry forward period expired prior to January 1, 2025. For  
38 taxable periods beginning on or after January 1, 2025, credit amounts earned by  
39 taxpayers taxed as a C-corporation for federal income tax purposes that exceed the  
40 taxpayer's tax liability shall not be eligible for refund and may only be used as a  
41 credit against subsequent Louisiana corporation income tax liability.

42 ~~B.(1)Credit for taxes paid by corporations shall be applied to state corporate~~  
43 ~~income and corporation franchise taxes.~~ Credit for taxes paid by unincorporated

1 persons and pass-through entities shall be applied to state personal individual income  
2 taxes. The secretary shall make a refund to the taxpayer in the amount to which he  
3 is entitled from the current collections of the taxes collected pursuant to ~~Chapters~~  
4 Chapter 1 and 5 of Subtitle II of this Title. If the amount of the credit authorized  
5 pursuant to Subsection A of this Section exceeds the amount of tax liability for the  
6 tax year, the following amounts of the excess credit shall either be refundable or may  
7 be carried forward as a credit against subsequent Louisiana individual income ~~or~~  
8 ~~corporation franchise~~ tax liability for a period not to exceed ten years, as follows:

9 \* \* \*

10 (2) Each taxpayer allowed a credit under this Section shall claim the credit  
11 on its separately filed individual income ~~or corporate franchise~~ tax return; however,  
12 for purposes of the application of the limitations on refundability of excess credit  
13 provided for in Subparagraphs (1)(a) through (c) of this Subsection, all taxpayers  
14 included in one consolidated federal income tax return filed under the Internal  
15 Revenue Code shall be treated as a single taxpayer.

16 \* \* \*

17 (4) Notwithstanding any provision in this Section to the contrary, for a  
18 manufacturer, as defined in Subparagraph (C)(3)(b) of this Section, if the amount of  
19 the credit authorized pursuant to Subsection A of this Section exceeds the amount  
20 of tax liability for the tax year, the excess credit shall not be refundable and may only  
21 be carried forward as a credit against subsequent Louisiana individual income ~~or~~  
22 ~~corporation franchise~~ tax liability for a period not to exceed ten years and shall not  
23 be refundable.

24 \* \* \*

25 D. The credit provided in this Section shall be allowed as follows:

26 (1) For inventory taxes paid to political subdivisions on or after July 1, 1992,  
27 and before June 30, 1993, the credit shall be twenty percent of such taxes paid.

28 (2) For inventory taxes paid to political subdivisions on or after July 1, 1993,  
29 and before June 30, 1994, the credit shall be forty percent of such taxes paid.

30 (3) For inventory taxes paid to political subdivisions on or after July 1, 1994,  
31 and before June 30, 1995, the credit shall be sixty percent of such taxes paid.

32 (4) For inventory taxes paid to political subdivisions on or after July 1, 1995,  
33 and before June 30, 1996, the credit shall be eighty percent of such taxes paid.

34 (5) For for one hundred percent of inventory taxes paid to political  
35 subdivisions on or after July 1, 1996, the credit shall be one hundred percent of such  
36 taxes paid.

37 E. ~~Commencing no later than January 31, 2016, the House Committee on~~  
38 ~~Ways and Means and the Senate Committee on Revenue and Fiscal Affairs shall~~  
39 ~~review the credit authorized pursuant to the provisions of this Section to determine~~  
40 ~~if the economic benefit provided by such credit outweighs the loss of revenue~~  
41 ~~realized by the state as a result of awarding such credit. The House and Senate~~  
42 ~~committees shall make a specific recommendation no later than March 1, 2017, to~~  
43 ~~either continue the credit or to terminate the credit.~~

44 F. At any time after a finding of overvaluation or misclassification of  
45 inventory for the purposes of this credit by audit or on appeal by the Board of Tax  
46 Appeals or court that last reviews the matter, the secretary of the Department of  
47 Revenue may intervene in any proceeding related to the valuation or classification  
48 of property as inventory for which a credit will be claimed pursuant to this Section.

49 G. Taxpayers that pay ad valorem taxes for the 2020 tax year that are eligible  
50 for the credit provided by this Section but are paid after December 31, 2020, may  
51 elect to treat these taxes as having been paid on December 31, 2020, for purposes of  
52 this credit, provided that the payments are made to the local tax collector on or  
53 before April 15, 2021. Taxpayers that make this election shall not also claim these  
54 taxes as having been paid in 2021 for purposes of claiming this credit for the 2021  
55 tax year.

56 H.(1) Notwithstanding the provisions of Subparagraphs (B)(1)(b) and  
57 (B)(3)(c) of this Section, for ad valorem taxes on inventory paid for tax year 2020,  
58 taxpayers whose ad valorem taxes eligible for the credit authorized pursuant to this  
59 Section paid to all political subdivisions in the taxable year was less than or equal to  
60 one million dollars shall be refunded all of the excess credit.

~~(2) The provisions of this Subsection shall apply only to taxpayers that employed a minimum of one hundred full-time employees at each location in the state for whom withholding tax was remitted to the Department of Revenue for at least one month within each of the first three quarters of calendar year 2020:~~

~~(3) The provisions of this Subsection shall not apply to manufacturers as defined in Subparagraph (C)(3)(b) of this Section."~~

AMENDMENT NO. 17

On page 6, delete lines 18 and 19 and insert the following:

"J. Credit caps, structured pay outs, and project size limitations.

(1) Department of Economic Development program issuance cap.

\* \* \*

(b) \* \* \*

(i) If For tax credits granted in a final certification letter prior to July 1, 2024, if the total amount of credits granted to QECs in any fiscal year is less than the QEC cap, any residual amount of unused credits shall carry forward for use in subsequent years and may be granted in addition to the QEC cap for each year.

\* \* \*

(c) For applications for state-certified productions and qualified entertainment companies submitted on or after July 1, 2023, but prior to July 1, 2025, the total amount of all tax credits granted in a final certification letter by the department in any fiscal year shall not exceed one hundred fifty million dollars. If the total amount of credits applied for in any particular year exceeds the aggregate amount of tax credits allowed for that year, the excess shall be treated as having been applied for on the first day of the subsequent year.

(d) For applications for state-certified productions and qualified entertainment companies submitted on or after July 1, 2025, the total amount of all tax credits granted in a final certification letter by the department in any fiscal year shall not exceed one hundred twenty-five million dollars. If the total amount of credits applied for in any particular year exceeds the aggregate amount of tax credits allowed for that year, the excess shall be treated as having been applied for on the first day of the subsequent year.

(2) Department of Revenue taxpayer claim cap.

(a)(i) Beginning July 1, 2017, through June 30, 2025, claims against state income tax allowed on returns for tax credits or transfers of such tax credits, including legacy credits, to the Department of Revenue as provided for in Paragraph (C)(4) of this Section shall be limited to an aggregate total of one hundred eighty million dollars each fiscal year. If For claims allowed on returns for tax credits or transfers of such tax credits to the Department of Revenue on or before June 30, 2024, if less than one hundred eighty million dollars of such tax credits and transfers are allowed in a fiscal year, the remaining amount, plus any amounts remaining from previous fiscal years, shall be added to the one hundred eighty million dollar limit of subsequent fiscal years until that amount of tax credits or tax credit transfers to the Department of Revenue are claimed and allowed.

(ii) Beginning July 1, 2025, claims against state income tax allowed on returns for tax credits or transfers of such tax credits to the Department of Revenue as provided for in Paragraph (C)(4) of this Section shall be limited to an aggregate total of one hundred twenty-five million dollars each fiscal year."

AMENDMENT NO. 18

On page 6, delete lines 23 through 26 and insert the following:

"M.(1) Beginning July 1, 2025, claims against state income tax allowed on returns for tax credits as provided for in this Section shall be limited to an aggregate total of twelve million dollars each fiscal year.

(2) Claims for tax credits shall be allowed on a first-come, first-served basis. Any taxpayer whose claim for such tax credits is disallowed because the fiscal year cap has been reached may use the tax credits against state income tax due in an

1 original return filed in the next fiscal year, and his claim shall have priority over  
2 other claims filed after the date of his original claim."

3 AMENDMENT NO. 19

4 On page 7, delete lines 2 through 16 and insert the following:

5 "A.(1) \* \* \*  
6 (e)(i) For State of Louisiana Commercial Rehabilitation Tax Credit Part 2  
7 applications received by the Department of Culture, Recreation and Tourism on or  
8 after January 1, 2021, but prior to January 1, 2025, the maximum aggregate total of  
9 tax credits that may be reserved by all taxpayers pursuant to the provisions of this  
10 Section shall not exceed one hundred twenty-five million dollars annually. ~~If and if~~  
11 ~~the amount of tax credit reservations issued in a calendar year is less than one~~  
12 ~~hundred twenty-five million dollars, the excess reservation amount shall be available~~  
13 ~~for issuance in any subsequent calendar year. The Department of Culture, Recreation~~  
14 ~~and Tourism shall establish by rule the method of reserving available tax credits~~  
15 ~~including but not limited to a first-come, first-served system or any other method that~~  
16 ~~the Department of Culture, Recreation and Tourism determines to be beneficial to~~  
17 ~~the program. Rules promulgated pursuant to the provisions of this Subparagraph~~  
18 ~~shall be subject to oversight by the House Committee on Ways and Means and the~~  
19 ~~Senate Committee on Revenue and Fiscal Affairs. The Department of Revenue and~~  
20 ~~the Department of Culture, Recreation and Tourism shall make reasonable efforts to~~  
21 ~~post a listing of estimated credit amounts remaining under the annual cap on their~~  
22 ~~websites.~~

23 (ii) For State of Louisiana Commercial Rehabilitation Tax Credit Part 2  
24 applications received by the Department of Culture, Recreation and Tourism on or  
25 after January 1, 2025, the maximum aggregate total of tax credits that may be  
26 reserved by all taxpayers pursuant to the provisions of this Section shall not exceed  
27 eighty-five million dollars annually.

28 (iii) The Department of Culture, Recreation and Tourism shall establish by  
29 rule the method of reserving available tax credits including, but not limited to a  
30 first-come, first-served system or any other method that the Department of Culture,  
31 Recreation and Tourism determines to be beneficial to the program. Rules  
32 promulgated pursuant to the provisions of this Subparagraph shall be subject to  
33 oversight by the House Committee on Ways and Means and the Senate Committee  
34 on Revenue and Fiscal Affairs. The Department of Revenue and the Department of  
35 Culture, Recreation and Tourism shall make reasonable efforts to post a listing of  
36 estimated credit amounts remaining under the annual cap on their websites."

37 AMENDMENT NO. 20

38 On page 7, delete lines 23 through 29 and on page 8, delete lines 1 through 5

39 AMENDMENT NO. 21

40 On page 9, line 5, after "R.S. 47:6005(G)," and before "6008(D)," delete "6006," and insert  
41 "6006(F) through (H),"

42 AMENDMENT NO. 22

43 On page 9, delete lines 21 through 25 and insert the following:

44 "Section 6. This Act shall become effective on January 1, 2025."