
DIGEST

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HB 389 Original

2025 Regular Session

Jackson

Abstract: Extends the duration of the La. Youth Jobs Tax Credit program to Dec. 31, 2031, and expands the definition of "eligible youth" for purposes of the program.

Present law establishes the La. Youth Jobs Tax Credit program. Provides that the program's purpose is to help young people entering the workforce to have a successful start by providing them with workforce skills. Proposed law retains present law.

Present law provides for income tax credit for businesses that hire one or more eligible youth. Proposed law retains present law.

Present law defines "eligible youth" whose hiring qualifies businesses for the La. Youth Jobs Tax Credit. Present law defines an "eligible youth" as an individual who has attained the age of 16 but is not yet 24; is unemployed prior to being hired by a business that will apply for the tax credit; will be working in a full-time or part-time position that pays wages equivalent to those for similar jobs; and meets one or more criteria relating to educational attainment, public assistance program enrollment, justice system involvement, foster care, being a parent or pregnant, housing status, and veteran status.

Proposed law adds to the class of persons comprising "eligible youth" any individual who meets all other applicable requirements of present law and is a member of a family with a total annual household income that does not exceed 300% of the federal poverty guidelines. Otherwise, retains present law relative to factors by which individuals qualify as "eligible youth".

Present law terminates the La. Youth Jobs Tax Credit program and prohibits tax credits from being earned through the program after Dec. 31, 2025. Proposed law changes this sunset date to Dec. 31, 2031.

Proposed law applies to taxable periods beginning on or after Jan. 1, 2026.

Effective January 1, 2026.

(Amends R.S. 47:6028(H); Adds R.S. 47:6028(B)(2)(d)(xiii))