

2025 Regular Session

HOUSE BILL NO. 671

BY REPRESENTATIVE GLORIOSO

TAX CREDITS: Establishes a tax credit for donations made to certain organizations serving victims of human trafficking

1 AN ACT

2 To enact R.S. 47:6041, relative to tax credits; to establish an income tax credit for donations
3 to certain organizations that serve victims of human trafficking; to provide for
4 definitions; to provide for qualifications; to provide for the amount of the credit; to
5 provide for requirements and limitations; to provide for applicability; to provide for
6 an effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:6041 is hereby enacted to read as follows:

9 §6041. Tax credits; donations to certain organizations serving victims of human
10 trafficking

11 A. For purposes of this Section, the following terms shall have the meanings
12 ascribed to them in this Subsection:

13 (1) "Department" means the Department of Revenue.

14 (2) "Qualifying organization" means a nonprofit organization that meets all
15 of the following criteria:

16 (a) Operates a residential home licensed by the Department of Children and
17 Family Services.

18 (b) Provides all of the following services to female adolescent victims of
19 human trafficking:

20 (i) Academic assessments and individualized appropriate curriculum.

1 (ii) Psychiatric assessments and management of medication.

2 (iii) Individual and group mental health therapy.

3 (iv) Individual and group substance abuse therapy.

4 (v) Life skills training.

5 (vi) Community volunteer opportunities.

6 B.(1)(a) There shall be allowed a nonrefundable income tax credit for
7 donations that a taxpayer makes during a taxable year to a qualifying organization
8 as defined in Subsection A of this Section. The amount of the credit shall be equal
9 to the actual amount of the donation used by the qualifying organization to provide
10 services to victims of human trafficking or thirty thousand dollars, whichever is less.

11 (b) The total amount of credits granted by the department pursuant to the
12 provisions of this Section shall not exceed three hundred thousand dollars per
13 calendar year. The granting of credits shall be on a first-come, first-served basis.
14 If the total amount of credits claimed in any particular calendar year exceeds the
15 amount of tax credits authorized for that year, the excess shall be treated as having
16 been applied for on the first day of the subsequent year. All requests received on the
17 same business day shall be treated as received at the same time, and if the aggregate
18 amount of the requests received on a single business day exceeds the total amount
19 of available tax credits, tax credits shall be approved on a pro rata basis.

20 (c) The credit may be used in addition to any federal tax credit or deduction
21 earned for the same donation. However, a taxpayer shall not receive any other state
22 tax credit, exemption, exclusion, deduction, rebate, or any other state tax benefit for
23 a donation for which the taxpayer has received a tax credit pursuant to this Section.

24 (2) If the tax credit earned pursuant to this Section exceeds the total income
25 tax liability of a taxpayer in the taxable year, the amount of the credit not used as an
26 offset against the taxpayer's tax liability in the taxable year may be carried forward
27 as a credit against subsequent income tax liabilities for a period not to exceed five
28 taxable years.

1 C. The secretary of the department may promulgate rules in accordance with
2 the Administrative Procedure Act to implement the provisions of this Section.

3 Section 2. The provisions of this Act shall apply to taxable periods beginning on or
4 after January 1, 2026.

5 Section 3. This Act shall become effective on January 1, 2026.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 671 Original

2025 Regular Session

Glorioso

Abstract: Authorizes an income tax credit for donations to certain organizations that provide services to female adolescent victims of human trafficking.

Proposed law authorizes an income tax credit for donations that a taxpayer makes during a taxable year to a "qualifying organization", defined for purposes of proposed law as a nonprofit organization that operates a residential home licensed by the Dept. of Children and Family Services and provides all of the following services to female adolescent victims of human trafficking:

- (1) Academic assessments and individualized appropriate curriculum.
- (2) Psychiatric assessments and management of medication.
- (3) Individual and group mental health therapy.
- (4) Individual and group substance abuse therapy.
- (5) Life skills training.
- (6) Community volunteer opportunities.

Proposed law provides that the amount of the credit shall equal the actual amount of the taxpayer's donation used by the qualifying organization to provide services to victims of human trafficking or \$30,000, whichever is less.

Proposed law limits the total amount of credits granted pursuant to proposed law in a calendar year to \$300,000.

Proposed law prohibits taxpayers from receiving any other state tax credit, exemption, exclusion, deduction, rebate, or any other state tax benefit for a donation for which the taxpayer has received a tax credit pursuant to proposed law.

Proposed law provides that if the credit exceeds the total income tax liability of a taxpayer in the taxable year, the amount of the credit not used as an offset against that liability may be carried forward as a credit against subsequent income tax liabilities for a period not to exceed five taxable years.

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

Effective Jan. 1, 2026.

(Adds R.S. 47:6041)