
DIGEST

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HB 431 Original

2015 Regular Session

Jackson

Abstract: Changes the tax credit for certain expenditures on state-certified musical or theatrical projects and certain state-certified infrastructure projects from a refundable credit to a credit in which amounts of the credit above the tax liability may be carried forward and applied against subsequent tax liability for up to five years.

Present law authorizes an income tax credit for the following:

- (1) Certified and approved production expenditures for a state-certified musical or theatrical production or for investments made by a company or financier expended on the production.
- (2) Certified and approved expenditures for state-certified infrastructure projects which receive initial certification on or before Jan. 1, 2014, for expenditures made before Jan. 1, 2015, for the construction, repair, or renovation of a state-certified musical or theatrical facility infrastructure project or for investments made by a company or financier expended on the project.
- (3) Certain amounts expended to employ students enrolled in La. colleges and universities in a state-certified musical or theatrical production in art-related positions.
- (4) Certain amounts expended on payroll to employ La. residents in connection with state-certified musical or theatrical productions or state-certified musical or theatrical facility infrastructure projects.
- (5) Certified and approved expenditures which receive initial certification on or before Jan. 1, 2018, for state-certified higher education musical or theatrical infrastructure projects for expenditures made in the state on or before Jan. 1, 2022, for the construction, repair, or renovation of a new state-certified higher education musical or theatrical facility infrastructure project or for investments by a company or financier expended on the project.

Present law provides for the amount of the credit, which depends on the amount of the base investment, application, certification, and administration of the credit.

Proposed law retains present law.

Present law authorizes a company or financier, on a one-time basis, to transfer the credit or the refund of an overpayment; however, the transfer shall not be effective until the Dept. of Revenue

receives written notice of the transfer. Further provides that the taxpayer is entitled to a refund for any allowable credit which exceeds the aggregate tax liability of the taxpayer.

Proposed law changes the tax credit from a refundable credit to one in which credit amounts which exceed taxpayer liability may be carried forward against subsequent income or corporation franchise tax liability for up to five years.

Applicable to tax years beginning on or after Jan. 1, 2015.

(Amends R.S. 47:6034(D)(1))