

2015 Regular Session

HOUSE BILL NO. 719

BY REPRESENTATIVE JACKSON

TAX CREDITS: Limits eligibility for incentives available through the enterprise zone program and establishes a dedication of savings associated therewith for deposit into the Go Grants Fund

1 AN ACT

2 To amend and reenact R.S. 51:1787(B)(3)(b), relative to tax incentives; to provide with
3 respect to the enterprise zone program; to provide for tax credits and rebates
4 available as incentives through the program; to provide for eligibility for contracts
5 for incentives; to provide for effectiveness; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 51:1787(B)(3)(b) is hereby amended and reenacted to read as
8 follows:

9 §1787. Incentives

10 * * *

11 B. The board may enter into the contracts provided in Subsection A of this
12 Section provided that:

13 * * *

14 (3)

15 * * *

16 (b) In addition to the requirements of Subparagraph (a) of this Paragraph,
17 eligibility for a retail business which is assigned a North American Industry
18 Classification Code of 44 ~~or 45~~ , 45, or 722 and has more than one hundred

1 employees nationwide including affiliates prior to the contract effective date shall
 2 be limited to grocery stores and pharmacies located in an enterprise zone, as such
 3 terms are defined by the department by rules promulgated in accordance with the
 4 Administrative Procedure Act. Notwithstanding any other provision of law to the
 5 contrary, a retail business that is assigned a North American Industry Classification
 6 Code of 44, 45, or 722 and whose advance notification to file an application for
 7 benefits under this Chapter is not filed before July 1, 2015, shall be ineligible to
 8 receive tax rebates or credits pursuant to the provisions of this Section.

9 * * *

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 719 Engrossed

2015 Regular Session

Jackson

Abstract: Prohibits certain business industries from being eligible for sales tax rebates and tax credits provided in the enterprise zone program.

Present law establishes the Enterprise Zone Program that provides for tax credits and rebates for eligible businesses, grants benefits under the program based on numbers of jobs, and provides for specific eligibility criteria with respect to employees for jobs that are eligible for program benefits.

Proposed law retains present law and adds retail businesses assigned a North American Industry Classification Codes (NAICS) Code of 722 to the list of retail businesses eligible for incentives under present law.

Proposed law further prohibits the following business industries that are identified by the NAICS from being eligible for incentives if the required advance notification form is not filed before July 1, 2015:

- (1) Retail, NAICS Codes beginning with 44 and 45
- (2) Food Services and Drinking Places, NAICS Codes beginning with 722

(Amends R.S. 51:1787(B)(3)(b))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Delete proposed law that created the Go Grants Fund "the fund" and provided for the procedure and transfer of monies from the state general fund into the fund.

2. Delete proposed law that limited eligibility of retail business for the program to those businesses who had 75 or more employees.
3. Prohibit retail and food services and drinking places business industries from being eligible for incentives if the required advance notification form is not filed before July 1, 2015.