

2020 First Extraordinary Session

HOUSE BILL NO. 4

BY REPRESENTATIVE MAGEE

TAX CREDITS: Extends the date for eligible expenses to qualify for the tax credit for the rehabilitation of historic structures and extends the effectiveness of the credit (Item #19)

1 AN ACT

2 To amend and reenact R.S. 47:6019(A)(1)(a) and (C), relative to the tax credit for the
3 rehabilitation of historic structures; to extend the date for certain expenses to qualify
4 for the tax credit; to provide for the effectiveness of the tax credit; to provide for an
5 effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:6019(A)(1)(a) and (C) are hereby amended and reenacted to read
8 as follows:

9 §6019. Tax credit; rehabilitation of historic structures

10 A.(1)(a) There shall be a credit against income and corporation franchise tax
11 for the amount of eligible costs and expenses incurred during the rehabilitation of a
12 historic structure located in a downtown development or a cultural district. The
13 amount of the credit shall equal twenty-five percent of the eligible costs and
14 expenses of the rehabilitation incurred prior to January 1, 2018, regardless of the
15 year in which the property is placed in service. The amount of the credit shall equal
16 twenty percent of the eligible costs and expenses of the rehabilitation incurred on or
17 after January 1, 2018, and before ~~January 1, 2022~~ January 1, 2028, regardless of the
18 year in which the property is placed in service. No credit is authorized pursuant to
19 this Section for expenses incurred on or after ~~January 1, 2022~~ January 1, 2028.

20 * * *

1 C. The provisions of this Section shall be effective for the taxable years
2 ending prior to ~~January 1, 2022~~ January 1, 2028.

3 Section 2. This Act shall become effective on July 1, 2020; if vetoed by the governor
4 and subsequently approved by the legislature, this Act shall become effective on July 1,
5 2020, or on the day following such approval by the legislature, whichever is later.

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 4 Original

2020 First Extraordinary Session

Magee

Abstract: Extends the date for which eligible expenses can qualify for the tax credit from expenses incurred prior to Jan. 1, 2022, to expenses incurred prior to Jan. 1, 2028, and extends the effectiveness of the program from taxable years ending prior to Jan. 1, 2022, to taxable years ending prior to Jan. 1, 2028.

Present law authorizes an income and corporation franchise tax credit for the amount of eligible costs and expenses incurred during the rehabilitation of a historic structure located in a downtown development district or a cultural district. The amount of the credit is 20% of the eligible costs and expenses of the rehabilitation incurred before Jan. 1, 2022, and no taxpayer shall claim more than \$5 million of credit annually for any number of structures rehabilitated within a particular downtown development or cultural district. The credit is effective for taxable years ending prior to Jan. 1, 2022.

Proposed law retains present law but extends the date for which eligible expenses can qualify for the tax credit from costs and expenses incurred prior to Jan. 1, 2022, to costs and expenses incurred prior to Jan. 1, 2028, and extends the effectiveness of the program from taxable years ending prior to Jan. 1, 2022, to taxable years ending prior to Jan. 1, 2028.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 47:6019(A)(1)(a) and (C))