

2015 Regular Session

HOUSE BILL NO. 805

BY REPRESENTATIVE ADAMS

TAX CREDITS: Provides for the carry forward rather than the refund of a certain portion of the tax credits for ad valorem taxes paid to local governments

1 AN ACT

2 To amend and reenact R.S. 47:6006(A) and (B), relative to income and corporation franchise
3 tax credits; to provide with respect to the tax credit for ad valorem taxes paid on
4 inventory and certain natural gas; to provide with respect to authorization for
5 issuance of refunds for tax credits which exceed taxpayer tax liability; to provide for
6 certain limitations; to provide for effectiveness; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:6006(A) and (B) are hereby amended and reenacted to read as
9 follows:

10 §6006. Tax credits for local inventory taxes paid

11 A.(1) There shall be allowed a credit against any Louisiana income or
12 corporation franchise tax for ad valorem taxes paid to political subdivisions on
13 inventory held by manufacturers, distributors, and retailers ~~and~~.

14 (2) There shall be allowed a credit against any Louisiana income or
15 corporation franchise tax for ad valorem taxes paid to political subdivisions on
16 natural gas held, used, or consumed in providing natural gas storage services or
17 operating natural gas storage facilities.

18 B. Credit for taxes paid by corporations shall be applied to state corporate
19 income and corporation franchise taxes. Credit for taxes paid by unincorporated
20 persons shall be applied to state personal income taxes. ~~The taxpayer shall be~~

(Amends R.S. 47:6006(A) and (B))

Summary of Amendments Adopted by House

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

1. Delete the income or corporation franchise tax credit for ad valorem taxes paid by a telephone company for public service property owned by the telephone company which is assessed by the La. Tax Commission at 25% of fair market value from the provisions of proposed law.
2. Change the tax credits from 100% nonrefundable to credits in which 75% of excess credit amounts which exceed taxpayer liability shall be refundable and 25% of the excess credit amounts may be carried forward against subsequent income or corporation franchise tax liability for up to five years.
3. Add applicability provision for all claims for these tax credits on returns filed on or after July 1, 2015, regardless of the taxable year to which the return relates.

The House Floor Amendments to the engrossed bill:

1. Delete the income or corporation franchise tax credit for ad valorem taxes paid on vessels in Outer Continental Shelf Lands Act Waters from the provisions of proposed law.