

2016 First Extraordinary Session

SENATE BILL NO. 13

BY SENATOR ALLAIN

TAX/AD VALOREM. Provides for carryforward rather than a refund of tax credits from ad valorem taxes paid to local governments. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 47:6006(B), relative to tax credits; to phase out the refundability  
3 of the tax credit for local ad valorem taxes on inventory; and to provide for related  
4 matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:6006(B) is hereby amended and reenacted to read as follows:

7 §6006. Tax credits for local inventory taxes paid

8 \* \* \*

9 B. Credit for taxes paid by corporations shall be applied to state corporate  
10 income and corporation franchise taxes. Credit for taxes paid by unincorporated  
11 persons shall be applied to state personal income taxes. ~~The secretary shall make a~~  
12 ~~refund to the taxpayer in the amount to which he is entitled from the current~~  
13 ~~collections of the taxes collected pursuant to Chapter 1 and Chapter 5 of Subtitle H.~~  
14 If the amount of the credit authorized pursuant to Subsection A of this Section  
15 exceeds the amount of tax liability for the tax year, the following amounts of the  
16 excess credit shall either be refundable or may be carried forward as a credit against  
17 subsequent Louisiana income or corporation franchise tax liability for a period not

1 to exceed five years, as follows:

2 (1) **For inventory taxes paid to political subdivisions before January 1,**  
3 **2017:**

4 (a) Eligible taxpayers whose ad valorem taxes paid to all political  
5 subdivisions in the taxable year was less than ten thousand dollars shall be refunded  
6 all of the excess credit.

7 ~~(2)~~(b) Eligible taxpayers whose ad valorem taxes paid to all political  
8 subdivisions in the taxable year was ten thousand dollars or more shall be refunded  
9 seventy-five percent of the excess credit, and the remaining twenty-five percent of  
10 the credit may be carried forward as a credit against subsequent tax liability for a  
11 period not to exceed five years.

12 (2) **For inventory taxes paid to political subdivisions on or after January**  
13 **1, 2017, and before January 1, 2018:**

14 (a) **Eligible taxpayers whose ad valorem taxes paid to all political**  
15 **subdivisions in the taxable year was less than ten thousand dollars shall be**  
16 **refunded all of the excess credit.**

17 (b) **Eligible taxpayers whose ad valorem taxes paid to all political**  
18 **subdivisions in the taxable year was ten thousand dollars or more shall be**  
19 **refunded fifty percent of the excess credit, and the remaining fifty percent of the**  
20 **credit may be carried forward as a credit against subsequent tax liability for a**  
21 **period not to exceed five years.**

22 (3) **For inventory taxes paid to political subdivisions on or after January**  
23 **1, 2018, and before January 1, 2019:**

24 (a) **Eligible taxpayers whose ad valorem taxes paid to all political**  
25 **subdivisions in the taxable year was less than ten thousand dollars shall be**  
26 **refunded all of the excess credit.**

27 (b) **Eligible taxpayers whose ad valorem taxes paid to all political**  
28 **subdivisions in the taxable year was ten thousand dollars or more shall be**  
29 **refunded twenty-five percent of the excess credit, and the remaining**

