

2015 Regular Session

SENATE BILL NO. 277

BY SENATOR CROWE

TAX/TAXATION. Limits claims for credit against individual income tax, corporate income tax, or corporate franchise tax on tax returns filed for a calendar year to 15% of the general fund revenues for the fiscal year. (7/1/15)

1 AN ACT

2 To enact Subpart I of Part II of Chapter 1 of Subtitle II of Title 47 of the Louisiana Revised
3 Statutes of 1950, to be comprised of R.S. 47:286.1, relative to tax credits; to limit
4 claims for certain refunds filed on certain tax returns; to give a priority to certain tax
5 credit claims; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. Subpart I of Part II of Chapter 1 of Subtitle II of Title 47 of the Louisiana
8 Revised Statutes of 1950, comprised of R.S. 47:286.1, is hereby enacted to read as follows:

9 **SUBPART I. ANNUAL LIMIT ON TAX CREDIT CLAIMS**

10 **§286.1. Annual limit on tax credit claims**

11 **A. The terms used in this Section shall have the following meanings:**

12 **(1) "Department" means the Department of Revenue.**

13 **(2) "Tax credit" means any claim for a tax credit against individual**
14 **income tax, corporate income tax, or corporate franchise tax.**

15 **(3) "Tax credit claims" means all claims for a tax credit received by the**
16 **Department of Revenue on tax returns filed for tax years beginning during a**
17 **particular calendar year.**

1 **(4) "Tax credit limit" means the amount of tax credit claims received by**
2 **the Department of Revenue on tax returns filed for tax years beginning during**
3 **a particular calendar year after which the department is required to deny**
4 **further tax credit claims.**

5 **B. By August first of each calendar year beginning August 1, 2015, the**
6 **commissioner of administration shall provide written notification to the**
7 **secretary of the Department of Revenue of his calculation of the amount of**
8 **dollars which equals fifteen percent of the general fund revenues for the fiscal**
9 **year which begins in July of that calendar year. The amount calculated on that**
10 **date shall be the tax credit limit for tax credit claims received by the**
11 **department on tax returns filed for tax years beginning during that calendar**
12 **year.**

13 **C. For each calendar year, beginning with calendar year 2015, the**
14 **secretary of the Department of Revenue shall establish a system for daily**
15 **monitoring of all tax credit claims received by the department for tax years**
16 **beginning during that calendar year. Notwithstanding any other provision of**
17 **law to the contrary, all tax credit claims shall be denied on such tax returns**
18 **received by the department beginning the day after the secretary determines**
19 **from the daily monitoring system that tax credit claims have exceeded the tax**
20 **credit limit for that calendar year.**

21 **D. The department shall provide written notification to any taxpayer**
22 **whose tax credit claim is denied pursuant to this Section. Notwithstanding any**
23 **other provision of law to the contrary, any taxpayer whose tax credit claim is**
24 **denied may use the tax credit claim on a return filed for any subsequent tax**
25 **year, and his tax credit claim shall have priority over other tax credit claims**
26 **filed on returns for tax years beginning in the same calendar year.**

27 Section 2. This Act shall become effective on July 1, 2015; if vetoed by the governor
28 and subsequently approved by the legislature, this Act shall become effective on July 1,
29 2015, or on the day following such approval by the legislature, whichever is later.

