

SENATE BILL NO. 24

BY SENATORS HARRIS, BARROW, BOUDREAUX, FESI, HENRY, JOHNS AND WOMACK AND REPRESENTATIVES ADAMS, BRYANT, GARY CARTER, WILFORD CARTER, CORMIER, DUPLESSIS, FREEMAN, GREEN, HUGHES, JAMES, TRAVIS JOHNSON, JONES, JORDAN, LACOMBE, LARVADAIN, LYONS, MARCELLE, DUSTIN MILLER, NEWELL, PIERRE, SELDERS, STAGNI, THOMPSON, WHITE, WILLARD AND WRIGHT

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AN ACT

To amend and reenact R.S. 47:6020(D)(2)(a) and (G) and to enact R.S. 47:6020(H), relative to the Angel Investor Tax Credit; to authorize an enhanced tax credit for certain eligible investments; to provide for certain limitations and eligibility requirements; to extend the termination date of the program; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:6020(D)(2)(a) and (G) are hereby amended and reenacted and R.S. 47:6020(H) is hereby enacted to read as follows:

§6020. Angel Investor Tax Credit Program

\* \* \*

D. Tax credits.

\* \* \*

(2)(a) An investor may apply for and, if qualified, be granted a credit on any income or corporation franchise tax liability owed to the state by the taxpayer seeking to claim the credit in the amount approved by the secretary of the department. The amount of the tax credit shall be based upon the amount of money invested by the investor in the Louisiana Entrepreneurial Business, which investment shall not exceed seven hundred twenty thousand dollars per year per business and one million four hundred forty thousand dollars total per business. Except as otherwise provided in Subparagraph (b) of this Paragraph, the credit shall be allowed

1 against the income tax for the taxable period in which the credit is earned and the  
 2 franchise tax for the taxable period following the period in which the credit is earned.  
 3 The credits approved by the department shall be granted at the rate of twenty-five  
 4 percent of the amount of the investment with the credit divided in equal portions for  
 5 ~~three~~ two years.

6 \* \* \*

7 G. Except as provided for in Paragraph (3) of this Subsection,  
 8 applications received on or after July 1, 2020, for investments that meet the  
 9 requirements of Subsection C of this Section and the requirements of 26 U.S.C.  
 10 1400Z-1, 1400Z-2, and applicable federal regulations shall be entitled to an  
 11 enhanced credit in accordance with the provisions of this Subsection.

12 (1) The amount of the credit granted by the department shall be  
 13 thirty-five percent of the amount of the investment with the credit divided in  
 14 equal portions for two years.

15 (2) In addition to the credit cap provided for in Subsection D of this  
 16 Section, the total amount of credits granted under this Subsection shall not  
 17 exceed three million six hundred thousand dollars per year for a total program  
 18 cap of seven million two hundred thousand dollars per year. If the department  
 19 does not grant the entire three million six hundred thousand dollars in tax  
 20 credits in any calendar year authorized pursuant to this Subsection, the amount  
 21 of unused tax credits shall carry forward to subsequent calendar years and may  
 22 be granted in any year without regard to the three million six hundred thousand  
 23 dollar annual cap provided for in this Subsection.

24 (3) To the extent that federal laws and regulations relative to opportunity  
 25 zones require that business revenues be derived from within the opportunity  
 26 zone, otherwise eligible businesses shall be exempt from the requirement that  
 27 fifty percent or more of sales shall come from out of state as specified in  
 28 Subsection C of this Section.

29 H. No credits shall be granted or reserved under this program for reservation  
 30 applications received by the department on or after ~~July 1, 2021~~ July 1, 2025.

1           Section 2. This Act shall become effective upon signature by the governor or, if not  
2 signed by the governor, upon expiration of the time for bills to become law without signature  
3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
4 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
5 effective on the day following such approval.

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_