2020 Second Extraordinary Session **ENROLLED**

SENATE BILL NO. 72

BY SENATOR TALBOT

AN ACT

To enact R.S. 47:6041, relative to income tax credits; to authorize an income tax credit for certain businesses; to provide for the amount of the credit; to provide for requirements and limitations; to provide for the claiming of credits; to provide for applicability; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:6041 is hereby enacted to read as follows:

§6041. Tax credit for restaurants and bars affected by the COVID-19 pandemic; 2020 tax year

A. There shall be allowed a one-time refundable credit against Louisiana income tax for a portion of the state license or permit fees imposed by the commissioner of alcohol and tobacco control and paid by the owners or operators of restaurant establishments and establishments licensed to sell or serve alcoholic beverages for consumption on their premises by paying customers.

B. (1) The amount of the credit shall equal the amount of the annual state license or permit fee for calendar year 2020 attributable to any calendar month, or fraction thereof, during 2020 that the permit holder was required to temporarily close operations pursuant to Proclamation Number 30 JBE 2020, or any subsequent proclamation declaring the existence of a statewide COVID-19 public health emergency.

(2) The credit authorized pursuant to the provisions of this Section shall apply to licenses or permits issued on a two-year basis if any part of the license or permit authorized the business to be operational during calendar year 2020 and the amount of the credit shall be determined as provided in Paragraph (1) of this Subsection.

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C. Credits may be claimed in accordance with the following:

(1) Any entity taxed as a corporation for Louisiana income tax purposes shall claim any credit authorized according to the provisions of this Section on its corporation income and franchise tax return.

(2) Any individual, estate, or trust shall claim any credit authorized according to the provisions of this Section on its income tax return.

(3) Any entity not taxed as a corporation shall claim any credit authorized according to the provisions of this Section on the returns of the partners or members as follows:

(a) Corporate partners or members shall claim their share of the credit on their corporation income tax returns.

(b) Individual partners or members shall claim their share of the credit on their individual income tax returns.

(c) Partners or members that are estates or trusts shall claim their share of the credit on their fiduciary income tax returns.

Section 2. The provisions of this Act shall be applicable to income taxable periods beginning on January 1, 2020, through December 31, 2020.

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

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PRESIDENT OF THE SENATE

_____
SPEAKER OF THE HOUSE OF REPRESENTATIVES

_____
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

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