

2016 Second Extraordinary Session

HOUSE BILL NO. 23

BY REPRESENTATIVE GREGORY MILLER

TAX CREDITS: Provides for the extent of refundability of the income tax credit for conversion of vehicles to alternative fuel usage (Item #47)

1 AN ACT

2 To amend and reenact R.S. 47:6035(E), relative to refundable income tax credits; to make
3 certain tax credits which are refundable in excess of tax liability nonrefundable; to
4 provide with respect to the tax credit for the cost of conversion of a motor vehicle
5 to alternative fuel usage; to authorize the carryforward of unused credits; to provide
6 for effectiveness; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:6035(E) is hereby amended and reenacted to read as follows:

9 §6035. Tax credit for conversion of vehicles to alternative fuel usage

10 * * *

11 E. If the tax credit allowed pursuant to the provisions of this Section exceeds
12 the amount of income taxes due or if the taxpayer owes no state income taxes, any
13 excess of the tax ~~credit~~ credits allowed on qualified clean-burning motor vehicle fuel
14 property purchased and installed, or new motor vehicles purchased at retail, before
15 January 1, 2016, over the income tax liability against which the credit can be applied
16 shall constitute an overpayment, as defined in R.S. 47:1621(A), and the secretary
17 shall make a refund of the overpayment from the current collections of the taxes
18 imposed by Chapter 1 of Subtitle II of this Title, as amended. The right to a refund
19 of any overpayment shall not be subject to the requirements of R.S. 47:1621(B). For
20 all taxable periods beginning on and after January 1, 2016, no such refunds shall be

1 allowed for excess tax credits for qualified clean-burning motor vehicle fuel property
 2 purchased and installed, or new motor vehicles purchased at retail. If the amount of
 3 the credit exceeds the amount of the tax liability for the tax year, then any unused
 4 credit may be carried forward as a credit against subsequent Louisiana individual or
 5 corporate income tax liability for a period not to exceed five years.

6 * * *

7 Section 2. The provisions of this Act shall be applicable to all income tax years
 8 beginning on and after January 1, 2016.

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

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 23 Original

2016 Second Extraordinary Session

Gregory Miller

Abstract: Changes the income tax credit for the cost of conversion of a motor vehicle to alternative fuel usage from a refundable credit to a nonrefundable credit for tax periods beginning on and after Jan. 1, 2016.

Present law establishes an individual and corporate refundable income tax credit for the cost of conversion of a motor vehicle to alternative fuel usage, which includes natural gas, liquified petroleum gas, and any nonethanol based advanced biofuel and certain electric vehicles. The amount of the credit is capped at \$3,000.

Proposed law changes present law for any taxable period which commences on or after Jan. 1, 2016, the tax credit is changed from a refundable credit to a nonrefundable credit. Any amount of credit in excess of tax liability may be claimed against future tax liability for up to five years.

Applicable to all income tax years beginning on and after Jan. 1, 2016.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 47:6035(E))