

Regular Session, 2011

HOUSE BILL NO. 592

BY REPRESENTATIVE ST. GERMAIN

TAX EXEMPTIONS: Extends the period in which new applications for tax benefits pursuant to the Atchafalaya Trace Heritage Area Development Zone may be approved

1 AN ACT

2 To amend and reenact R.S. 25:1226.6(A), relative to tax exemptions and credits; to provide  
3 relative to tax exemptions and credits pursuant to the Atchafalaya Trace Heritage  
4 Area Development Zone; to extend the period in which new applications for tax  
5 benefits may be approved; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 25:1226.6(A) is hereby amended and reenacted to read as follows:

8 §1226.6. Termination and evaluation of program

9 A. On and after ~~January 1, 2012~~ January 1, 2014, no new applications to  
10 receive tax exemptions or credits pursuant to this Part shall be approved by the State  
11 Board of Commerce and Industry, nor shall the commission engage in any of the  
12 activities described in R.S. 25:1226.3. However, a business which, prior to ~~January~~  
13 ~~1, 2012~~ January 1, 2014, has been approved by the board to receive tax exemptions  
14 or credits under this program shall continue to receive such tax benefits pursuant to  
15 the terms of its agreement with the state of Louisiana as long as the business retains  
16 its eligibility.

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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)]

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St. Germain

HB No. 592

**Abstract:** Extends the period in which new applications for tax exemptions and credits pursuant to the Atchafalaya Trace Heritage Area Development Zone may be approved from Jan. 1, 2012, to Jan. 1, 2014.

Present law provides for creation of the Atchafalaya Trace Heritage Area Development Zone which encompasses 13 named parishes and provides for tax credits and exemptions for heritage-based cottage industries located in the zone. Defines a heritage-based cottage industry, in part, as a small business with no more than 20 full-time or part-time employees or an individual who is sustainably harnessing the Atchafalaya Trace Heritage Area's cultural heritage and natural heritage resources for purposes which include interpreting, accessing, developing, promoting, or reinforcing the unique character and characteristics of the heritage area.

Present law authorizes the State Board of Commerce and Industry, with the approval of the governor, to enter into five-year contracts with heritage-based cottage industries for tax exemptions and credits. Such contracts must directly relate to a concern located in the development zone and to taxes on operations and activities in the zone. The amount of the tax credit related to the operations of the cottage industry within the development zone shall not exceed \$1,500. In addition, a tax credit equal to \$1,500 per new employee hired during the taxable year may be claimed by a taxpayer.

Present law provides that on and after Jan. 1, 2012, no new applications for tax benefits shall be approved by the State Board of Commerce and Industry, nor shall the Atchafalaya Trace Commission engage in any of the activities provided for in present law. However, tax benefits approved prior to Jan. 1, 2012, shall continue according to the terms of the agreement with the state as long as the business retains its eligibility.

Proposed law retains present law but extends the period in which new applications for tax benefits can be received from Jan. 1, 2012, to Jan. 1, 2014.

(Amends R.S. 25:1226.6(A))