

Local governmental units are not affected by the proposed amendment, because local sales tax is already collected on the vending machine transaction, not the wholesale transaction. The proposed amendment will make the state and local sales tax uniform with respect to when sales tax is applied to vending machine transactions.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NONGOVERNMENTAL GROUPS (Summary)

Owners of coin-operated vending machines in Louisiana will be directly impacted by the proposed amendment; however, the expected effect will be minimal. Vending machine operators are required to display a notice on each machine indicating that the advertised price includes all applicable state and local sales taxes.

The proposed rule is estimated to increase receipts on purchases made from vending machines by \$1.3 M annually, as state sales tax will be paid on transactions at the vending machine, rather than when vending machine operators purchase tangible personal property at wholesale.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is no anticipated impact on competition or employment.

Richard Nelson
Secretary
2510#052

Alan M. Boxberger
Legislative Fiscal Officer
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Revenue
Tax Policy and Planning Division**

**Tax Credit Documentation Requirements
(LAC 61:I.1903)**

Editor's Note: This Notice of Intent is being reprinted in order to change the reference to the "School Readiness Tax Credits", as provided in LAC 61:I.1903, to the "Workforce Child Care Tax Credits", as required by Act 454 of the 2025 Regular Session of the Louisiana Legislature. The original Notice of Intent can be viewed in its entirety on pages 1517-1519 of the September 20, 2025 *Louisiana Register*.

Under the authority of R.S. 47:1511 and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Tax Policy and Planning Division, proposes to amend LAC 61:I.1902, 1903, and 1905.

R.S. 47:1624(F) authorizes the suspension of the accrual of interest during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by statute or regulation. The purpose of these amendments is to set forth the information and documentation required to be provided by a taxpayer claiming the inventory tax credit, certain school readiness tax credits, and the credit for property taxes paid by certain telephone companies.

Title 61

REVENUE AND TAXATION

**Part I. Taxes Collected and Administered by the
Secretary of Revenue**

**Chapter 19. Miscellaneous Tax Exemptions, Credits
and Deductions**

**§1903. Administration of the Workforce Child Care Tax
Credits**

A. - A.3. ...

4. The accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide any of the information or documentation required herein, as provided by R.S. 47:1624(F).

B. - B.1. ...

2. The provider shall complete the provider portion of the credit certificate and shall submit the certificate to each taxpayer who had a child at the facility during the calendar year no later than January 31 of the succeeding year. The provider portion of the credit certificate will include, but not be limited to, the following information: the child care facility name, the child care facility star rating, the child care facility Louisiana tax identification number, the child care facility license number, the name of the child attending the facility and the issue date and effective year. The provider shall submit to the Department of Revenue a list of all taxpayers to whom a certificate was issued.

3. ...

4. The Department of Education shall provide information necessary for the Secretary of the Department of Revenue to determine the child care provider's quality rating.

C. - C.1.d. ...

2. The Department of Education shall provide documentation to each qualifying provider of the average monthly number of children participating in the Child Care Assistance Program or in the Foster Care Program. If the provider has multiple sites, the Department of Education shall provide this information for each site. The certificate shall be delivered or mailed to all qualifying child care providers by March 1 of the year following the year the credit is earned. The certificate shall include, but not be limited to, the following information: the child care facility name, the child care facility star rating, the child care facility license number and the issue date and effective year.

3. Child care providers shall submit the credit certificate issued by the Department of Education with their Louisiana income tax return claiming the credit.

4. The Department of Education shall provide information necessary for the Secretary of the Department of Revenue to determine and/or verify the provider's quality rating.

D. Credit for Child Care Directors and Staff

1. The Department of Education shall provide information necessary for the Secretary of the Department of Revenue to determine and/or verify the director and staff levels for earning the credit

2. In order to claim this credit, the Department of Education, or its representative, must provide child care facility directors and staff members with Form R-10615, Louisiana School Readiness Tax Credit For Child Care Director and Staff Member, no later than January 31 stating which level of qualification the employee meets according to the criteria established by the Department of Education. The taxpayer must submit Form R-10615 with their Louisiana income tax return.

3. Each child care facility director and staff member will also have to verify that he/she has worked at the same child care facility for at least six months in the calendar year, unless otherwise approved by the Department of Education.

4. Child care director and staff levels will have such meaning as provided by regulation issued by the Department of Education.

E. - E.1. ...

a. In order for a business to claim this credit, the business must support the amount of qualifying expenses paid or made by providing the Department of Revenue with copies of cancelled checks, receipts, and other documentation containing the following information: the name and Louisiana revenue tax identification number of the child care facility to or for whom the eligible expenses were paid or made, the amount and nature of qualifying expenses at each child care facility as defined in R.S. 47:6102 and the child care facility's quality rating.

b. The Department of Education shall provide information necessary for the Secretary of the Department of Revenue to determine and/or verify the facility's quality rating

2. - 2.b....

c. The Department of Education shall provide to the Department of Revenue a list of qualifying child care resource or referral agencies for each calendar year.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:474 , R.S. 47:287.785, R.S. 47:295, R.S. 47:1511, and R.S. 47:6103.

HISTORICAL NOTE: Promulgated by the Department of Revenue and the Department of Social Services, LR 33:2667 (December 2007), amended by the Department of Revenue, Tax Policy and Planning Division, LR 52:

Family Impact Statement

The proposed amendments should not have any known or foreseeable impact on any family as defined by R.S. 49:972(D) or on family formation, stability and autonomy. Specifically, the implementation of this proposed amendment will have no known or foreseeable effect on:

1. the stability of the family.
2. the authority and rights of parents regarding the education and supervision of their children.
3. the functioning of the family.
4. family earnings and family budget.
5. the behavior and personal responsibility of children.
6. the ability of the family or a local government to perform this function.

Poverty Impact Statement

The proposed amendments will have no known impact on poverty as described in R.S. 49:973.

Small Business Analysis

It is anticipated that the proposed amendments should not have a significant adverse impact on small businesses as defined in the Regulatory Flexibility Act. The agency,

consistent with health, safety, environmental and economic factors has considered and, where possible, utilized regulatory methods in drafting these proposed amendments to accomplish the objectives of applicable statutes while minimizing any anticipated adverse impact on small businesses.

Provider Impact Statement

The proposed amendments will have no known or foreseeable effect on:

1. the staffing level requirements or qualifications required to provide the same level of service.
2. the total direct and indirect effect on the cost to the provider to provide the same level of service.
3. the overall effect on the ability of the provider to provide the same level of service.

Public Comments

Any interested person may submit written data, views, arguments or comments regarding these proposed amendments to Morgan Newton, Attorney, Tax Policy and Planning Division, Office of Legal Affairs by mail to P.O. Box 44098, Baton Rouge, LA 70804-4098. All comments must be received no later than 4:30 p.m., October 27, 2025.

Public Hearing

Interested persons may submit a written request for a public hearing no later than October 10, 2025, at 4:30 p.m. Requests may be submitted either by mail, addressed to Morgan Newton, Attorney, Tax Policy and Planning Division, Office of Legal Affairs, P.O. Box 44098, Baton Rouge, LA 70804-4098, or via email to morgan.newton@la.gov and reference Louisiana Fortified Roof Tax Credit Comments. If the criteria set forth in R.S. 49:961(B)(1) are satisfied, a public hearing will be held on October 28, 2025, at 10:30 a.m. in the River Room, located on the seventh floor of the LaSalle Building, 617 North Third Street, Baton Rouge, La 70802, for all interested persons to attend and submit oral or written comments. To confirm whether or not the public hearing will be held, please visit the department's website at: <https://revenue.louisiana.gov/tax-policy/rules-regulations> and under "Types" select "Nonemergency Rulemaking." In accordance with the Americans with Disabilities Act, should individuals with a disability need an accommodation in order to participate, contact Morgan Newton at the address given above in the Public Comments section, by email at LDRadarequests@la.gov or by phone at (225) 219-2780.

Richard Nelson
Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Tax Credit Documentation Requirements

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

The proposed rule sets forth the information and documentation required to be provided when claiming the inventory tax credit, certain school readiness tax credits, and the telephone property credit. The proposed rule also allows for the suspension of interest as provided in R.S. 47:1624(F). R.S. 47:1624(F) authorizes the suspension of accrual of interest due

to a delay in the issuance of a refund that is attributable to the taxpayer's failure to provide information or documentation required by statute or regulation.

Implementation of this proposal will not result in material additional costs or cost savings to the Department of Revenue (LDR).

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

To the extent the additional information required for the credits and the suspension of interest provisions reduce refund interest paid by the state to taxpayers, the proposed rule will increase state revenue.

According to R.S. 47:1624(A)(1)(a) interest shall be allowed from 90 days after the later of the due date of the return, the filing date of the return or claim for refund on which the overpayment is claimed, or the date the tax was paid. LDR is unable to provide an estimate as to how much interest has accumulated due to missing documentation for these particular credits.

With no local income tax, there is no impact to local governmental revenue as a result of this rule.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NONGOVERNMENTAL GROUPS (Summary)

Taxpayers claiming the inventory tax credit, certain school readiness tax credits, or the telephone property tax credit will be affected by the proposed rule. Taxpayers will be required to submit new documentation when filing the return. However, the additional costs for completion and submission of the required information to claim the tax credit on the return from this proposed rule are expected to be minor.

To the extent taxpayers previously received interest in certain circumstances, the proposed rule will decrease taxpayer income from the interest suspension when proper documentation is not provided.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is no anticipated impact on competition or employment.

Richard Nelson
Secretary
2510#037

Alan M. Boxberger
Legislative Fiscal Officer
Legislative Fiscal Office

NOTICE OF INTENT

Department of Revenue Tax Policy and Planning Division

Work-Based Learning Tax Credit-Eligible Apprentice (LAC 61:I.1909)

Under the authority of R.S. 47:1511 and 6003 and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Tax Policy and Planning Division proposes to amend LAC 61:I.1909 relative to the Work-Based Learning Tax Credit.

Revised Statute 47:6003 creates the Work-Based Learning Tax Credit by combining the former Apprenticeship Tax Credit (R.S. 47:6033) and the Youth Jobs Tax Credit (R.S. 47:6028), and by adding eligibility for interns. The credit is nonrefundable and applies to the hiring of apprentices, interns, or youth workers, as defined therein.

The purpose of these amendments is to implement Act 376 of the 2025 Legislative Session and clarify what

documentation is required to claim the credit for hiring an eligible apprentice. To qualify, a business must show either: (1) a written apprentice agreement under an apprenticeship program in R.S. 23:281; or (2) participation in a training program accredited by the National Center for Construction Education and Research.

Title 61

REVENUE AND TAXATION

Part I. Taxes Collected and Administered by the Secretary of Revenue

Chapter 19. Miscellaneous Tax Exemptions, Credits and Deductions

§1909. Work-Based Learning Tax Credit-Eligible Apprentice

A. General Description

1. For tax periods beginning after December 31, 2025, Revised Statute 47:6003 authorizes businesses to earn a non-refundable work-based learning tax credit against Louisiana income tax equal to \$2.50 for each hour of employment for each eligible apprentice, intern, or youth worker, not to exceed 1,000 hours for each eligible apprentice, intern or youth worker.

B. Documentation Requirements-Eligible Apprentice

1. Taxpayers must attach to the applicable Louisiana income tax return the completed tax credit certification form issued by the department, as well as all other required documentation. Additionally, supporting documentation should be maintained or submitted to the department, as directed in Paragraph 2. of this Subsection.

2. Unless otherwise provided, eligible employers seeking to qualify for the credit pursuant to the hiring of an eligible apprentice are responsible for maintaining or submitting all required information, as follows:

a. For taxpayers seeking to qualify pursuant to a written apprentice agreement:

i. report the number of hours worked during the taxable period for each eligible apprentice; and

ii. maintain a copy of the contract executed between the employer and the eligible apprentice and provide it upon request from the department.

b. For taxpayers seeking to qualify pursuant to an eligible apprentice enrolled in a training program accredited by the National Center for Construction Education and Research (NCCER);

i. report the number of hours each eligible apprentice worked during the taxable period for each eligible apprentice; and

ii maintain a copy of the NCCER transcript for each eligible apprentice, which includes:

(a). the level of training attained by the student enrolled in the training program; and

(b). the number of hours worked during the taxable period by the student enrolled in the training program.

c. Any other information required by the department.

3. No later than January 31 of each calendar year, the Louisiana Workforce Commission shall provide to the department a list of all employers or association of employers that have registered and have been approved to participate in an apprenticeship program as provided for in R.S. 23:381.