

LOUISIANA

DEPARTMENT *of* REVENUE

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Income and Corporation Franchise Taxes**

Historic Rehabilitation Tax Credit Changes

Act 263 of the 2013 Regular Session made several amendments to the state historic rehabilitation tax credit, R.S. 47:6019. The tax credit is 25 percent of the eligible rehabilitation costs for certain commercial historic structures located in downtown development districts and cultural districts.

Prior law imposed a five million dollar per taxpayer lifetime cap on credits that could be received within a single downtown development district. Act 263 modified this cap. The new limitation is not based upon the district in which the credit is earned, but provides that no more than five million dollars of state historic rehabilitation tax credits may be claimed annually by any single taxpayer. For purposes of applying the five million dollar annual cap, the term “taxpayer” includes the taxpayer and any entity affiliated with the taxpayer.

Transferors and transferees of the historic rehabilitation tax credits are no longer required to submit their transfer documentation to both the state historic preservation office and the Department of Revenue, and are only required to submit this documentation to the Department of Revenue.

Act 263 changed the term “cultural product district” to “cultural district,” but did not make any changes to the substance of the “cultural product district” definition. Finally, the Act extended the sunset date of the credit by two years. The credit is now scheduled to sunset on January 1, 2018. The effective date of Act 263 is June 13, 2013.

Tim Barfield
Secretary

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