

Revenue Information Bulletin No. 15-025

July 1, 2015

Tax Rebate Reductions

Act 126 of the 2015 Regular Session of the Louisiana Legislature

Act 126 of the 2015 Regular Session of the Louisiana Legislature made several significant changes to various Louisiana Tax Rebate Programs. The changes are outlined below:

- For the **Louisiana Enterprise Zone Rebates**, a retail business which is assigned a North American Industry Classification Code of 44, 45, or 722 and whose contract is not entered into before July 1, 2015, shall be ineligible to receive benefits unless the related advance notification form was filed before July 1, 2015. If the related advance notification form was filed before July 1, 2015, benefits are available provided the related claim for benefits is filed on or after July 1, 2016.
- For the **Louisiana Mega-Project Energy Assistance Rebates**, with respect to projects for which the secretary makes a determination on or after July 1, 2015, that the consumption of energy will be a major cost component of the operation of a mega-fund project, the rebate granted to a mega-project is reduced from one hundred percent to eighty percent of Louisiana severance taxes that were paid to the state on any natural gas consumed or used directly in the operation of the mega-project facility or consumed indirectly in the manufacture or creation of energy sold to the mega-project facility for its operation.
- For the **Louisiana Quality Jobs Rebates**, for projects for which an advance notification was filed on or after July 1, 2015, the rebate is reduced from one-hundred percent to eighty percent of the gross payroll of new direct jobs.
- For the **Corporate Headquarters Relocation Program**, with respect to projects for which an invitation to apply is extended by the secretary on or after July 1, 2015, the rebate to the qualified business is reduced from twenty-five percent to twenty percent of relocation costs.
- For the **Competitive Projects Payroll Incentive Program**, with respect to projects for which an invitation to apply is extended by the secretary on or after July 1, 2015, the percentage of new payroll eligible for rebate is reduced from fifteen percent to twelve percent and the project facility expense rebate is reduced from one and one half percent to one and two-tenths percent of the amount of qualified capital expenditures for the facility or facilities designated in the contract.

Effective Dates

- The provisions affecting the **Louisiana Enterprise Zone Rebates** are effective July 1, 2015 and supersede those of House Bill 466 of the 2015 Regular Session of the Louisiana Legislature.
- The provisions affecting the **Louisiana Mega-Project Energy Assistance Rebates, Louisiana Quality Jobs Rebates, Corporate Headquarters Relocation Program, and Competitive Projects Payroll Incentive Program** are effective July 1, 2015 through June 30, 2018.

Questions concerning Act 126 should be directed by e-mail to Policy.Publications@La.gov.

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Secretary

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