R-10610-ITE (1/21)

LOUISIANA
DEPARTMENT *of* REVENUE

Schedule of Ad Valorem Tax Credit Claimed by ITEP Manufacturers for Ad Valorem Tax Paid on Inventory

Louisiana Revised Statute 47:6006

IMPORTANT: Use this form if filing a 2020 tax return. See instructions.

PLEASE PRINT OR TYPE

Taxpayer Name

LDR Account ID

Filing Period

Parish Name of Louisiana Parish that issued the assessment	Assessment Number	Total Assessment	Inventory Assessment Qualified Inventory held by manufacturers, suppliers or retailers	Ratio Inventory Assessment/ Total Assessment *Use only if using ratio method to determine eligible tax credit **	Total Assessed Tax Paid	Qualified Inventory Tax Credit Claimed on Current Year Return List actual tax paid or apply ratio method to determine eligible tax credit	Check Number	Check Date	Check Amount
Total									

* See RIB 06-036 for instructions and additional information.

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Taxpayer Name	
SSN/LDR Account ID	**Filing Period**

Check the box for the credit type this worksheet is used to calculate: ☐ Inventory Tax Credit (218)   ☐ Ad Valorem Natural Gas Credit (219)

	See instructions to complete Lines 1A through 3 below.	
1A	Amount of ad valorem taxes paid	
1B	Amount of ad valorem taxes paid on short-term rentals	
1C	Amount of ad valorem taxes paid qualifying for the credit	
2	Tax Liability before applying the credit	
3	Amount of the credit exceeding tax liability	

INSTRUCTIONS

All taxpayers that are included on the same consolidated federal income tax return are required to combine their inventory taxes paid in order to determine the amount of the excess credit that is refundable. Taxpayers that are affiliated or related outside of a consolidated group are not required to combine their taxes paid in order to determine the amount of the excess credit that is refundable.

GENERAL INSTRUCTIONS

1. This worksheet was designed to assist the following taxpayers in calculating the credit and provide necessary computation to LDR:

   • A manufacturer who has claimed the property tax exemption under the Industrial Tax Exemption Program (ITEP) during the taxable year in which the local inventory taxes were levied; or

   • Members of a consolidated federal income tax return that includes a manufacturer who has claimed the property tax exemption under ITEP.

2. If you are one of the taxpayers described in #1 above, your credit is limited to tax and the excess can be carried forward not to exceed five years.

3. This form should be used for tax year 2020.

4. Enter the Taxpayer's name, SSN/LDR Account ID and filing period for the return to which this worksheet is attached in the space provided. Check the box for the credit type you are calculating on this worksheet.

5. New for the 2020 tax year:

   a Act 56 of the 2020 Second Extraordinary Legislative Session allows taxpayers who make payment of ad valorem taxes after December 31, 2020 and before April 16, 2021, to elect to treat these payments as having been made on December 31, 2020, for purposes of the credit. Taxpayers making this election must submit a schedule showing the ad valorem tax payments, the actual payment date of each payment and a statement that they elect these taxes to be treated as paid on December 31, 2020.

   b. For taxable years ending **AFTER** December 31, 2020: if you have an eligible carryover amount, your carryover period has increased from five (5) years to 10 years as provided by Act 50 of 2020 Second Extraordinary Legislative Session effective January 1, 2021.

GENERAL INSTRUCTIONS

1A. Enter the amount of the ad valorem taxes paid to local subdivisions in Louisiana on inventory held by manufacturers, distributors, and retailers OR natural gas held, used, or consumed in providing natural gas storage services or operating natural gas storage.

1B. Enter the amount of Line 1A that is the ad valorem taxes paid to local subdivisions in Louisiana on inventory held by manufacturers, distributors, and retailers that is available for or subject to a short-term rental that will subsequently or ultimately be sold by the retailer that will be included on Line 1C.

For the purpose of this credit, inventory is defined in R.S. 47:6006 as items of tangible personal property that are held for sale in the ordinary course of business, in the process of production for subsequent sale, or are to physically become a part of the production of such goods. The definition contains a listing of specific items that are included and not included in inventory. In addition to items that are clearly included by the definition, the following items are included in inventory: used goods or trade-in merchandise; by-products of a manufacturer; raw materials and supplies that will be consumed in the Louisiana manufacturing process; and goods that are available for short-term rental that will subsequently or ultimately be sold by taxpayers classified under code numbers 532412 and 532310 of the North American Industry Classification System. A "short-term rental" is defined as a rental of an item of tangible personal property for a period of less than 365 days, for an undefined period, or under an open-ended agreement.

Not included in inventory unless otherwise stated are: oil stored in tanks held by a producer prior to the first sale of the oil; items that have been leased by the taxpayer; items that the taxpayer has depreciated for federal income tax purposes; items that have been used by the taxpayer and have been owned for more than eighteen months; and certain items stored in the state for use in interstate commerce.

1C. Enter the amount of ad valorem taxes paid to local subdivisions in Louisiana on inventory held by manufacturers, distributors, retailers OR natural gas held, used, or consumed in providing natural gas storage services or operating natural gas storage reported on Line 1A that meets the definition of inventory under R.S. 47:6006. Your credit for the inventory held is limited to tax and the excess can be carried forward not to exceed five years.

2. Enter the amount of your adjusted tax liability from your tax return. See chart below for line numbers.

Tax Year	IT-540	IT-540B	IT-540BNRA	IT-541	R-6922	CIFT-620
2020	Line 22	Line 22	Line 19	Line 17	Line 9	Line 15

3. Amount of the credit exceeding tax liability. Subtract Line 2 from Line 1C. If less than zero, enter zero.

If Line 3 is equal to zero, your entire credit on Line 1C will be used to offset tax. Enter the amount from Line 1C on Schedule NRC-P3 (Business) or Schedule J (Individual) with the identifying three-digit code listed below. If Line 3 is greater than zero, Line 3 is your credit carry forward and the amount on Line 2 is the amount of the credit that can be used to offset tax. Enter the amount from Line 2 on Schedule NRC-P3 or Schedule J with the identifying three-digit code listed below.

Inventory Tax Credit Carried Forward and ITEP	218
Ad Valorem Natural Gas Carried Forward	219