

2023 Regular Session

HOUSE BILL NO. 483

BY REPRESENTATIVE MAGEE

TAX CREDITS: Provides relative to the rehabilitation of historic structures tax credit

1 AN ACT

2 To amend and reenact R.S. 47:6019(A)(1)(a), (B)(1)(introductory paragraph), and (C) and
3 to enact R.S. 47:6019(B)(1)(d) and (e), relative to credits against income and
4 corporation franchise tax; to provide relative to the tax credit for rehabilitation of
5 historic structures; to extend the duration of the rehabilitation of historic structures
6 tax credit program; to expand eligibility for tax credits through the program to
7 encompass additional historic structures; to provide for the amount of the credit for
8 rehabilitation of certain historic structures; to provide for definitions; and to provide
9 for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 47:6019(A)(1)(a), (B)(1)(introductory paragraph), and (C) are hereby
12 amended and reenacted and R.S. 47:6019(B)(1)(d) and (e) are hereby enacted to read as
13 follows:

14 §6019. Tax credit; rehabilitation of historic structures

15 A.(1)(a)(i) There shall be a credit against income and corporation franchise
16 tax for the amount of eligible costs and expenses incurred during the rehabilitation
17 of a historic structure located in a downtown development district, ~~or located in a~~
18 cultural district, or contributing to the National Register of Historic Places. The
19 amount of the credit shall equal twenty-five percent of the eligible costs and
20 expenses of the rehabilitation incurred prior to January 1, 2018, regardless of the

1 year in which the property is placed in service. The amount of the credit shall equal
2 twenty percent of the eligible costs and expenses of the rehabilitation incurred on or
3 after January 1, 2018, and before January 1, ~~2026~~ 2029, regardless of the year in
4 which the property is placed in service. No credit is authorized pursuant to this
5 Section for expenses incurred on or after January 1, ~~2026~~ 2029.

6 (ii) For the rehabilitation of a historic structure located in a rural area, the
7 amount of the credit shall equal thirty percent of the eligible costs and expenses of
8 the rehabilitation incurred on or after January 1, 2023, and before January 1, 2029.

9 * * *

10 B.(1) For purposes of this Section, the following words and phrases shall
11 have the meanings ascribed to them in this ~~Subsection~~ Paragraph:

12 * * *

13 (d) "Contributing to the National Register of Historic Places" means a
14 property, either individually listed or deemed as a contributing element, within a
15 National Register Historic District, as determined by the National Park Service.

16 (e) "Rural area" means any of the following:

17 (i) A parish of this state with a population of less than one hundred thousand
18 according to the most recent federal decennial census.

19 (ii) A municipality of this state with a population of less than thirty-five
20 thousand according to the most recent federal decennial census.

21 (iii) An unincorporated area of a parish of this state, which parish has a
22 population of one hundred thousand or more according to the most recent federal
23 decennial census.

24 * * *

25 C. The provisions of this Section shall be effective for ~~the~~ taxable years
26 ending prior to January 1, ~~2026~~ 2029.

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)]

HB 483 Original

2023 Regular Session

Magee

Abstract: Extends the duration of the rehabilitation of historic structures tax credit program and expands eligibility for the credits through the program to additional historic structures.

Present law authorizes a credit against income and corporation franchise tax for the amount of eligible costs and expenses incurred during the rehabilitation of a historic structure located in a downtown development or a cultural district as defined in present law. Provides that the credit amount equals 20% of the eligible costs and expenses of the rehabilitation incurred before Jan. 1, 2026. Stipulates that no credit is authorized pursuant to present law for expenses incurred on or after Jan. 1, 2026.

Proposed law amends present law to include the following among the classes of historic structures eligible for the credit:

- (1) Historic structures either individually listed or deemed as a contributing element within a National Register Historic District.
- (2) Historic structures located in a rural area.

Proposed law defines "rural area", for purposes of present law and proposed law, as any of the following:

- (1) A parish with a population of less than 100,000.
- (2) A municipality with a population of less than 35,000.
- (3) An unincorporated area of a parish with a population of 100,000 or more.

Proposed law provides that the credit amount for rehabilitation of a historic structure located in a rural area is 30% of the eligible costs and expenses of the rehabilitation incurred before Jan. 1, 2029.

Proposed law changes the rehabilitation of historic structures tax credit program's termination date from Jan. 1, 2026 to Jan. 1, 2029. Maintains the credit amount for rehabilitation of historic structures, other than those in rural areas, at 20% of the eligible costs and expenses of the rehabilitation.

(Amends R.S. 47:6019(A)(1)(a), (B)(1)(intro. para.), and (C); Adds R.S. 47:6019(B)(1)(d) and (e))