

**Revenue Information Bulletin No. 21-010**

**April 8, 2021**

**Income & Corporation Franchise Taxes**

**Historic Rehabilitation Tax Credit Changes  
Act 25 of the 2020 First Extraordinary Session**

The purpose of this bulletin is to explain the impact of legislative changes to the tax credit for the rehabilitation of historic structure.

**Tax Credit Cap**

Act 25 of the 2020 First Extraordinary Session (“Act 25”) establishes a front-end credit cap, which is applicable to Part 2 applications received by the Department of Culture, Recreation, and Tourism (“CRT”) on or after January 1, 2021. The credit cap limits the aggregate amount of credits that may be reserved through CRT to no more than \$125 million per calendar year. Act 25 further requires CRT to adopt rules detailing the method of reserving available tax credits, such as a first-come, first-served system, or other method determined to be beneficial to the program by CRT. Finally, Act 25 provides that in the event that less than \$125 million of tax credit reservations are issued in a calendar year, any unreserved credits shall be made available for reservation in the subsequent calendar year.

**Sunset Provision**

Act 25 also extends the Historic Rehabilitation program providing that no credits may be authorized for expenses incurred on or after January 1, 2026, and provides that the provisions of LA R.S. 47:6019 are effective for taxable periods ending prior to January 1, 2026. Taxpayers may carryforward the credit for five years from the year in which it is earned.

Questions concerning this publication may be submitted by e-mail to [Policy.Publications@La.gov](mailto:Policy.Publications@La.gov)

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