

**ACT No. 117**

2015 Regular Session

HOUSE BILL NO. 508

BY REPRESENTATIVES FOIL, BARROW, BURFORD, HENRY BURNS, CARTER, CONNICK, COX, HAZEL, HOFFMANN, HUNTER, IVEY, MIKE JOHNSON, ORTEGO, ROBIDEAUX, SMITH, ST. GERMAIN, AND WILLMOTT AND SENATORS GALLOT, GARY SMITH, AND JOHN SMITH

1 AN ACT

2 To enact R.S. 47:297.13 and 1508(B)(37), relative to income taxation; to provide relative  
3 to individual and corporation income tax deductions; to authorize an income tax  
4 deduction for taxpayers who employ certain qualified disabled individuals; to  
5 provide for certain definitions; to provide for certain requirements and limitations;  
6 to provide for an effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:297.13 and 1508(B)(37) are hereby enacted to read as follows:

9 §297.13. Tax deduction; employment of certain qualified disabled individuals;

10 requirements; limitations

11 A.(1) There shall be allowed a deduction from income taxes imposed by this

12 Chapter for each taxpayer who provides continuous employment to a qualified

13 disabled individual within Louisiana. A taxpayer shall be eligible to claim the

14 deduction provided for in this Section after employing a qualified individual with a

15 disability for four continuous months for no less than an average of twenty hours a

16 week at a rate comparable to and in the same setting as other employees of the

17 taxpayer performing the same or similar task.

18 (2) For purposes of this Section, the term "qualified individual with a

19 disability" shall mean the following:

1           (a) A person with a severe, chronic disability that is attributable to an  
2           intellectual or physical impairment or combination of intellectual and physical  
3           impairments that is manifested before the person reaches the age of twenty-two and  
4           is likely to continue indefinitely which results in substantial functional limitations  
5           in three or more major areas of life activity, including but not limited to self-care,  
6           receptive and expressive language, learning, mobility, self-direction, capacity for  
7           independent living, and economic self-sufficiency. A qualified individual with a  
8           disability, as defined in this Subparagraph, shall include an individual who has been  
9           determined to be eligible for and is receiving services through the office for citizens  
10           with developmental disabilities. A qualified individual with a disability shall also  
11           include an individual who receives facility-based vocational or pre-vocational  
12           services through the Home and Community Based Waiver programs, including the  
13           New Opportunities Waiver, Supports Waiver, and Residential Options Waiver.

14           (b) An individual with a service-connected disability rating of fifty percent  
15           or more as designated by the United States Department of Veterans Affairs. A  
16           qualified individual with a service-connected disability, as defined in this  
17           Subparagraph, shall include an individual who receives facility-based vocational or  
18           pre-vocational services through the Home and Community Based Waiver programs,  
19           including the New Opportunities Waiver, Supports Waiver, and Residential Supports  
20           Waiver.

21           B. The amount of the income tax deduction shall be equal to fifty percent of  
22           the gross wages paid to a qualified disabled individual during the individual's first  
23           four continuous months of employment and thirty percent of the gross wages paid  
24           to the qualified individual with a disability during each subsequent continuous month  
25           of employment. The taxpayer shall be entitled to the deduction for each qualified  
26           individual with a disability the taxpayer employs each taxable year; however, there  
27           shall be no more than one hundred employees for which the deduction is allowed  
28           program wide. The Department of Revenue and the Department of Health and  
29           Hospitals shall approve applications claiming the deduction and may promulgate  
30           rules and regulations pursuant to the Administrative Procedure Act in consultation

1 with the Department of Veterans Affairs for the purpose of implementing the  
 2 provisions of this Section. The Department of Health and Hospitals shall maintain  
 3 records indicating the limit of 100 employees eligible for this deduction. The rules  
 4 and regulations may include provisions requiring taxpayers to submit documentation  
 5 with their returns or to specifically retain records that will enable the department to  
 6 determine the taxpayer's eligibility for and amount of the tax deduction claimed  
 7 under this Section. To the extent practicable, the deductions shall be apportioned  
 8 equitably to employers who are geographically representative of all portions of the  
 9 state.

10 C. The taxpayer claiming this deduction shall maintain all records necessary  
 11 to verify that the employer and the qualified individual with a disability for which  
 12 the taxpayer is claiming the deduction meets all of the requirements as provided for  
 13 in this Section.

14 D. The Department of Health and Hospitals shall monitor the  
 15 implementation and operation of the provisions of this Section. The Department of  
 16 Health and Hospitals shall also provide a written evaluation of the program and its  
 17 effectiveness in generating employment opportunities for individuals with  
 18 intellectual or developmental disabilities or individuals with service-connected  
 19 disabilities, as well as whether there was any savings in Medicaid waiver  
 20 expenditures.

21 \* \* \*

22 §1508. Confidential character of tax records

23 \* \* \*

24 B. Nothing herein contained shall be construed to prevent:

25 \* \* \*

26 (37) The sharing or furnishing of information to the Department of Health and  
 27 Hospitals for the purposes of monitoring the implementation and operation of the provisions  
 28 of R.S. 47:297.13.

29 \* \* \*

1           Section 2. This Act shall become effective upon signature by the governor or, if not  
2 signed by the governor, upon expiration of the time for bills to become law without signature  
3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
4 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
5 effective on the day following such approval.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_