



Revenue Information Bulletin 13-016

July 26, 2013

Premium Tax

Act 265 the Louisiana New Markets Jobs Act

Act 265 of the 2013 Regular Session created the Louisiana New Markets Jobs Act (“the Act”). Any investor that makes a qualified equity investment into a qualified community development entity which in turn makes a qualified low income investment in a qualified low income business in Louisiana will earn a tax credit against premium tax. The credit amount is equal to the applicable percentage for such credit allowance date multiplied by the purchase price paid to the issuer of such qualified equity investment.

Qualified community development entities must apply to the department for certification of the equity investments it issues. The application is available on the department’s website at www.revenue.louisiana.gov/taxforms. Applicants can begin submitting applications to the department beginning August 1, 2013. The application must be submitted at NewMarketTax.CreditApplication@la.gov. Additionally, the applicant must mail the \$500,000 refundable deposit to the department at P.O. Box 44098, Baton Rouge, LA 70804.

The department will grant or deny certification of the qualified equity investment within 30 days of receipt of the completed application containing the information set forth in R-10608. If the department denies any part of the application, it shall inform the qualified community development entity of the grounds for the denial. If the qualified community development entity provides additional information required by the department or otherwise completes its application within fifteen days of the notice of denial, the application shall be considered completed as of the original date of the submission. If the qualified community development entity fails to provide the information or complete its application within the fifteen day period, the application remains denied and must be resubmitted in full with a new submission date, and the department shall refund the performance deposit.

The department shall certify qualified equity investments in the order in which applications are received. Applications received on the same day shall be deemed to have been received simultaneously. For applications that are complete and received on the same day, the department shall certify, consistent with remaining qualified equity investment capacity, the qualified equity investments in proportionate percentages based upon the ratio of the amount of qualified equity investment requested in an application to the total amount of qualified equity investments requested in all applications received on the same day.

The Department of Revenue, in partnership with the Louisiana Department of Insurance, will promulgate rules for administering the Act in accordance with the Administrative Procedure Act (R.S. 49:950 et seq.).

For more information, please contact the Policy Services Division at (225) 219-2780 or at Policy@la.gov.

Tim Barfield
Secretary

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