

2023 Regular Session

HOUSE BILL NO. 247

BY REPRESENTATIVE LANDRY

TAX/INCOME-INDIV/CREDIT: Establishes a tax credit for purchases of firearm safety devices

1 AN ACT

2 To enact R.S. 47:297.23, relative to income tax credits; to authorize an individual income
3 tax credit for purchases of firearm safety devices; to establish the tax credit as a
4 nonrefundable credit; to provide for the amount of the credit; to authorize carrying
5 forward of the credit; to provide for definitions; to provide for applicability; to
6 provide for termination; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:297.23 is hereby enacted to read as follows:

9 §297.23. Tax credit; purchases of firearm safety devices

10 A. For purposes of this Section, the following terms have the meanings
11 ascribed to them in this Subsection:

12 (1) "Eligible transaction" means a transaction in which a taxpayer purchases
13 one or more firearm safety devices from a dealer that is federally licensed pursuant
14 to 18 U.S.C. 923. An eligible transaction shall not include the purchase of a firearm.

15 (2) "Firearm" shall have the meaning ascribed in R.S. 14:95.1(E).

16 (3) "Firearm safety device" means a safe, gun safe, gun case, lock box, or
17 other device that is designed to be or can be used to store a firearm and that is
18 designed to be unlocked only by means of a key, a combination, or other similar
19 means.

1 B.(1) There shall be allowed a nonrefundable credit against the tax imposed
2 by this Chapter for the purchase of one or more firearm safety devices. The amount
3 of the credit shall be equal to the cost that a taxpayer incurs in the purchase of one
4 or more firearm safety devices in an eligible transaction or five hundred dollars,
5 whichever is less. A taxpayer shall be allowed only one such credit per taxable year.

6 (2) The total amount of credits granted pursuant to the provisions of this
7 Section shall not exceed five hundred thousand dollars per calendar year.

8 (3) The granting of tax credits authorized by this Section shall be on a
9 first-come, first-served basis. If the total amount of credits claimed in a particular
10 calendar year exceeds the amount of tax credits authorized for that year, the
11 Department of Revenue shall treat the excess as having been applied for on the first
12 day of the subsequent year. The department shall treat all requests received on the
13 same business day as received at the same time. If the aggregate amount of the
14 requests received on a single business day exceeds the total amount of available tax
15 credits, the department shall approve tax credits on a pro rata basis.

16 C. Each taxpayer who claims the credit authorized by this Section shall
17 submit purchase receipts with his income tax return to verify the amount of the
18 purchase price of all firearm safety devices purchased in an eligible transaction.

19 D. If the tax credit amount earned in accordance with this Section in a
20 taxable year exceeds the total tax liability of a taxpayer in that year, the amount of
21 the credit not used as an offset against the taxpayer's tax liability in the taxable year
22 may be carried forward as a credit against subsequent income tax liabilities for a
23 period not to exceed five taxable years.

24 E. No credits authorized by this Section may be claimed for any taxable year
25 beginning after December 31, 2027.

26 Section 2. The provisions of this Act shall apply to taxable periods beginning on or
27 after January 1, 2023.

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 247 Engrossed

2023 Regular Session

Landry

Abstract: Provides a nonrefundable income tax credit of up to \$500 for individuals who purchase firearm safety devices.

Proposed law authorizes a nonrefundable, individual income tax credit for purchases of firearm safety devices. Defines "firearm safety device" as a safe, gun safe, gun case, lock box, or other device that is designed to be or can be used to store a firearm and that is designed to be unlocked only by means of a key, a combination, or other similar means.

Proposed law provides that the amount of the credit shall be equal to the cost that a taxpayer incurs in the purchase of one or more firearm safety devices or \$500, whichever is less. Allows only one such credit per taxable year.

Proposed law caps the total amount of credits to be issued pursuant to proposed law at \$500,000 per calendar year.

Proposed law requires each taxpayer who claims the credit authorized by proposed law to submit receipts with their income tax return to verify the amount of the purchase price of all firearm safety devices purchased.

Proposed law establishes the tax credit as a nonrefundable credit. Provides that if the tax credit amount earned in a taxable year exceeds the total tax liability of a taxpayer in that year, the amount of the credit not used as an offset against the taxpayer's tax liability in the taxable year may be carried forward as a credit against subsequent income tax liabilities for a period not to exceed five taxable years.

Proposed law applies to taxable periods beginning on or after Jan. 1, 2023.

Proposed law provides that no credits authorized therein may be claimed for any taxable year beginning after Dec. 31, 2027.

(Adds R.S. 47:297.23)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Reduce the limit on the total amount of credits that may be issued annually pursuant to proposed law from \$5,000,000 to \$500,000.
2. Delete provisions terminating proposed law on Dec. 31, 2027; provide instead that no credits authorized by proposed law may be claimed for any taxable year beginning after Dec. 31, 2027.