

**Nonrefundable Credits Reduction Worksheet
 (Act 125) for IT-540, IT-540B or IT-540B-NRA
 2014 and Prior Tax Years**

Tax Year

Social Security Number

Line	Column 1: Description	Col 2: Amount prior to Act 125 Reduction	Allowable Portion	Col. 3: Amount allowed under Act 125
1.	Education Credit		72%	
Schedule G Reductions				
2.	Credit for Certain Disabilities		72%	
3.	Credit for Contribution To Educational Institutions		72%	
4.	Credit for Certain Federal Credits		72%	
Additional Nonrefundable Credits from Schedule G				
For each credit, enter the associated code, along with the dollar amounts. <i>See instructions.</i>				
5.			72%	
6.			72%	
7.			72%	
8.			72%	
9.			72%	
10.			72%	

Description	Code
Premium Tax	100
Commercial Fishing	105
Family Responsibility	110
Small Town Doctor/Dentist	115
Bone Marrow	120
Law Enforcement Education	125
First Time Drug Offenders	130
Bulletproof Vest	135
Nonviolent Offenders	140

Description	Code
Owner of Newly Constructed Accessible Home	145
Qualified Playground	150
Debt Issuance	155
Donations of Materials, Equipment, Advisors, Instructors	175
Other	199
Atchafalaya Trace	200
Organ Donation	202

Description	Code
Previously Unemployed	208
Recycling Credit	210
Basic Skills Training	212
New Jobs Credit	224
Refunds by Utilities	226
Eligible Re-entrants	228
Neighborhood Assistance	230
Cane River Heritage	232
LCDFI	258
Other	299

**Instructions Nonrefundable Credits Reduction
 Worksheet (Act 125) for IT-540, IT-540B or
 IT-540B-NRA**

2014 and Prior Tax Years

This worksheet has been created to reflect the reduction in certain income tax credits according to Act 125 of the 2015 Regular Session of the Louisiana Legislature. The reductions are applicable when claimed on any return filed on or after July 1, 2015, but before June 30, 2018 regardless of the taxable year the return relates. Please refer to Revenue Information Bulletin 15-021 for information regarding amended returns and 2014 returns filed on extension. This worksheet should be used in completing your individual income tax return. Round all amounts to the nearest dollar.

All references to Schedule G also include Schedule G-NR for those filing IT-540-B and Schedule G-NRA for those filing IT-540B-NRA unless otherwise stated.

In the box labeled "Tax Year", enter the tax year for which you are completing this worksheet.

Line 1 – Enter the amount of the education credit by multiplying the amount of dependents who attended school from kindergarten through 12th grade by \$25. Enter the amount in the Column 2. The total amount calculated is then multiplied by 72 percent (.72) to arrive at the allowed amount. Enter the result in Column 3 of your worksheet and on your tax return. See table below for tax periods and line numbers.

Tax Year	IT-540	IT-540B	IT-540B NRA
2006	Schedule G code 099	Schedule G code 099	Schedule G code 099
2007-2014	Line 13	Line 14	Line 13A

Line 2 – A credit of \$100 was previously allowed prior to Act 125 for each qualifying individuals. In Column 2, multiply \$100 by the number of qualifying dependents calculated on Schedule G. Calculate the reduced amount by multiplying calculated credit by 72 percent (.72). Enter the result in Column 3 and on Schedule G, Line 2.

Line 3- Compute the value of the property donated to an educational institution in Louisiana. Multiply the amount computed by 40 percent. Enter this amount in Column 2. Multiply the calculated credit by 72 percent (.72) to arrive at the reduced credit allowed. Enter the result in Column 3 and on Schedule G, Line 3B.

Line 4 – Taxpayers are allowed a credit of 10 percent of the certain federal credits. Refer to the instructions for the tax year you are filing for the qualifying federal credits (R.S. 47:297(B)). If the credit was not used on the federal return because of the alternative minimum tax, you must reduce this amount by the portion of the credit that was not used. Enter the total federal credit on Line 4A of the Schedule G. Multiply Line 4A by 10 percent and enter the result or \$25, whichever is less, in Column 2. Multiply the calculated credit by 72 percent (.72) to arrive at the reduced credit allowed. Enter the result or \$18, whichever is less, in Column 3 and on Schedule G, Line 4B.

ADDITIONAL NONREFUNDABLE CREDITS FROM SCHEDULE G

The additional nonrefundable credits that were reduced by Act 125 are referenced individually by a three-digit code. Enter the credit identifying code in Column 1, and the dollar amounts in the appropriate spaces in Column 2 and 3 on Lines 5 through 10. Also enter the credit description, identifying code, and the dollar amount from Column 3 in the appropriate spaces on Schedule G, Lines 5 through 10.

NOTE: Use only the codes referenced in the table on this worksheet.

100- Premium Tax – R.S. 47:227 provides a credit for premium taxes paid during the preceding 12 months by an insurance company authorized to do business in Louisiana. Enter the premium tax credit in Column 2. Multiply the calculated credit by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

105- Commercial Fishing – Calculate the credit according to R.S. 47:297(C) and enter the amount in Column 2. Multiply calculated amount by 72% (.72). Enter the result in Column 3 and on Schedule G of your tax return.

110 – Family Responsibility – R.S. 47:297(F) provides a credit for the amount contributed in a family responsibility program under the provisions of R.S. 46:449. A credit of 33.3 percent of the contribution, not to exceed \$200 was previously allowed prior to Act 125. Enter calculated amount in Column 2. Multiply amount by 72 percent (.72). Enter the result, limited to \$160, in Column 3 and on Schedule G of your tax return.

115 Small Town Doctor/Dentist – R.S. 47:297(H) provides a credit for certified medical doctors and dentists licensed to practice in certain areas of Louisiana. A credit equal to your tax, up to \$5,000, was previously allowed prior to Act 125. In the Column 2, enter \$5,000. Multiply amount by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

120 – Bone Marrow – R.S. 47:297(I) provides a credit to employers authorized to do business in the state who incur bone marrow donor expense by developing a bone marrow donation program, educating employees related to bone marrow donations, making payments to a health care provider for determining tissue types of potential donors, and paying wages to an employee for time related to tissue typing and bone marrow donation. The amount of the credit allowed was 25 percent of the bone marrow donor expense paid or incurred by the employer during the tax year prior to Act 125. Enter the credit amount in the Column 2. Multiply calculated amount by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

125 – Law Enforcement Education – R.S. 47:297(J) provides a credit for certain law enforcement officers and specified employees of the Louisiana Departments of Public Safety or Corrections for specific post-secondary educational expenses incurred in the pursuit of an undergraduate degree related to law enforcement. The amount of the credit per tax year is equal to the lesser of the tax due, or 100 percent of the educational expenses, or \$750. Enter credit amount in Column 2. Multiply Column 2 by 72 percent (.72). Enter the result or \$540, whichever is less, in Column 3 and on Schedule G of your tax return.

130 – First Time Drug Offenders – R.S. 47:297(K) provides a credit for a taxpayer who provides full-time employment to an individual who has been convicted of a first time drug offense, and who is less than 25 years of age at the time of initial employment. A credit of \$200 per taxable year per eligible employee was previously allowed prior to Act 125. List the amount of the credit

in the Column 2. Multiply Column 2 by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

135 – Bulletproof Vest – R.S. 47:297(L) provides a credit for the purchase of a bulletproof vest for certain law enforcement personnel. The credit is limited to \$100 prior to Act 125. Enter \$100 in Column 2. Multiply Column 2 by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

140 – Nonviolent Offenders – R.S. 47:297(O) provides a credit for a taxpayer who provides full-time employment to an individual who has been convicted of a first-time nonviolent offense, has completed a court-ordered program certified by the employee's probation officer, and has worked 180 days. The credit is equal to \$200 per qualifying employee prior to Act 125. In Column 2, enter credit amount. Multiply Column 2 by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

145 – Owner of Newly Constructed Accessible Home – R.S. 47:297(P) provides a credit for a taxpayer who owns a newly constructed one or two-family dwelling on which the homestead exemption is claimed. The dwelling must include certain accessible and barrier free design elements. Prior to Act 125, the credit is for the lesser of \$1,000 or tax, and is taken in the taxable year that the construction of the dwelling is completed. Enter calculated credit amount in Column 2. Multiply Column 2 by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

150 – Qualified Playgrounds – R.S. 47:6008 provides a credit for donations to assist qualified playgrounds. Prior to Act 125, the credit is for the lesser of \$1,000 or one-half of the value of the cash, equipment, goods, or services donated. Enter calculated credit amount in Column 2. Multiply Column 2 by 72 percent (.72). Enter the result in 3 and on Schedule G of your tax return.

155 – Debt Issuance – R.S. 47:6017 provides a credit for the filing fee paid to the Louisiana State Bond Commission, which is incurred by an economic development corporation in the preparation and issuance of bonds. Enter credit amount in Column 2. Multiply amount by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

175 – Donations of Materials, Equipment, Advisors, Instructors – R.S. 47:6012 provides a credit for employers within the state for donations of the newest technology available in materials, equipment, or instructors to public training providers, secondary and postsecondary vocational-technical schools, community colleges, or apprenticeship programs registered with the Louisiana Workforce Commission to assist in the development of training programs designed to meet industry needs. The credit is for 50 percent of the value of the donated materials, equipment, or services rendered by the instructor. When taken with other applicable credits, this credit cannot exceed 20 percent of the employer's tax liability for any taxable year. Enter calculated credit amount in Column 2. Multiply amount by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

199 – Other – Reserved for future credits.

200 – Atchafalaya Trace – R.S. 25:1226.4 provides a credit to certain heritage-based cottage industries that have entered into a contract with the State Board of Commerce and Industry. Enter credit amount in Column 2. Multiply amount by 80 percent (.80). Enter the result in Column 3 and on Schedule G of your tax return.

202 – Organ Donation – R.S. 47:297(N) provides a credit equal to certain expenses incurred by an individual or spouse for a living organ donation, up to \$10,000. Enter calculated credit amount in Column 2. Multiply amount by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

208 – Previously Unemployed – R.S. 47:6004 provides a \$750

credit per eligible employee for hiring a previously unemployed person who participates in the Family Independence Work Program in a newly created full-time job. Enter calculated credit amount in Column 2. Multiply amount by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

210 – Recycling Credit – R.S. 47:6005 provides a credit for the purchase of certain equipment or service contracts related to recycling. The credit must be certified by the Louisiana Department of Environmental Quality and a copy of the certification must be attached to the return. Enter credit amount in Column 2. Multiply amount by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

212 – Basic Skills Training – R.S. 47:6009 provides a credit for employers who pay for training to bring employees' reading, writing, or mathematical skills to at least the 12th grade level. The credit is limited to \$250 per participating employee, not to exceed \$30,000 for the tax year. Enter credit amount in Column 2. Multiply amount by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

224 – New Jobs Credit – R.S. 47:34 and R.S. 47:287.749 provide a credit to employers who establish or expand a business in the state. Prior to Act 125, the credit is limited to 50% of tax. Calculate credit based on revised statute and enter amount in Column 2. Multiply amount by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

226 – Refund by Utilities – R.S. 47:287.664 provides a credit for 100 percent of certain court ordered refunds made by utilities to its customers. Enter credit amount in Column 2. Multiply amount by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

228 – Eligible Re-entrants – R.S. 47:287.748 provides a credit to a taxpayer who employs an eligible re-entrant in Louisiana. The credit shall be one hundred fifty dollars per eligible re-entrant employed, but shall not exceed 50 percent of income tax. Enter credit amount in Column 2. Multiply amount by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

230 – Neighborhood Assistance – R.S. 47:35 and R.S. 47:287.753 provide a credit for an entity engaged in the activities of providing neighborhood assistance, job training, and education for individuals, community services, or crime prevention in Louisiana. Prior to Act 125, the credit is for up to 70 percent of the amount contributed for investment in programs approved by the Commissioner of Administration, and the credit shall not exceed \$250,000 annually. Enter credit amount in Column 2. The credit is now limited to 50 percent of amount contributed and limited to \$180,000 annually. Enter reduced calculated amount in Column 3 and on Schedule G of your tax return.

232 – Cane River Heritage – R.S. 47:6026 provides a credit for a heritage-based cottage industry located or to be located in the Cane River Heritage Area Development Zone. The taxpayer must enter into a contract with the Louisiana Department of Culture, Recreation, and Tourism. Enter credit amount in Column 2. Multiply Column 2 by 72 percent (.72). Enter the result in Column 3 and on Schedule G of your tax return.

258 – LA Community Development Financial Institution (LCDFI) – R.S. 51:3085 et seq. provides a credit for certain investments in an LCDFI to encourage the expansion of businesses in economically distressed areas. Prior to Act 125, the credit shall be calculated at 75 percent of investment. Enter calculated credit amount in Column 2. Under Act 125, the credit shall be calculated at 54 percent of investment. Enter calculated credit in Column 3 and on Schedule G of your tax return.

299 – Other – reserved for future credits