

January 8, 2019

RE: Research and Development Tax Credit Program – Summary Report

To Whom It May Concern:

The Department of Economic Development hereby announces its plan to proceed with rule-making by finalizing the Research and Development Tax Credit Program Rules published as a Notice of Intent in the August 2018 *Louisiana Register* on pages 1464-1467.

Two public hearings were held to discuss and receive comments on the proposed rules. The first hearing was held on September 26, 2018 with no attendees and no written comments were received.

Upon further consideration, the Department subsequently determined that minor revisions were warranted, which resulted in the following non-technical, substantive changes: 1.) addition of definition of base amount, 2.) a revision of the rule to reflect that companies with fewer than fifty (50) employees will also have a base amount in the benefit calculation, 3.) addition of small business technology transfer to types of awards eligibility for 30% credit, and 4.) addition of carryforward language to provide clarity for R&D program users that are new to transferability. The revised rule was published as a Potpourri in the November 2018 *Louisiana Register* pages 2091-2093.

A second hearing was conducted on January 3, 2019 and attended by a representative from Louisiana Association of Business and Industry. Overall feedback was positive. No written comments were received.

No changes have been made to the proposed rule since publication as a Potpourri.

Subject to legislative oversight by the House or Senate Committees on Commerce, the Department intends to submit for final publication as a Rule in the February 2019 *Louisiana Register*.

As always, we welcome your consideration and please feel free to contact me at phone number 225-342-3060 with questions.

Sincerely,



Robin Porter  
Staff Counsel

Cc: Senate, Committee on Commerce  
Senate, President  
House of Representatives, Committee on Commerce  
House of Representatives, Speaker