

Apprenticeship Louisiana TAX CREDITS

Legal Citation

Apprenticeship Tax Credit Program

R.S. 47:6033
LAC 61:1.1909

Youth Jobs Tax Credit

R.S. 47:6028
LAC 61:1.1921

Who qualifies for the credit?

Apprenticeship Tax Credit Program

Any business that employs one or more eligible apprentices.

Youth Jobs Tax Credit

Any business that employs one or more eligible Youths.

What is the eligibility criteria for an employee to qualify for the credit?

Apprenticeship Tax Credit Program

An "Eligible Apprentice" is an individual who meets one of the following criteria:

- Has entered into a written apprenticeship agreement with an employer or an association of employers under a Registered Apprenticeship program through the Louisiana Workforce Commission or
- Is enrolled in a training program accredited by the National Center for Construction Education and Research, which has no less than four levels of training and no less than 500 hours of instruction

Youth Jobs Tax Credit

An "Eligible Youth" is an individual who meets ALL of the following criteria:

- Has attained the age of 16 but has not yet attained the age of 24,
- Is unemployed before being hired by a business applying for the credit,
- Will be working full-time or part-time that pays wages that are equivalent to the salaries paid for similar jobs, with adjustments for experience or training, and meets at least one of the qualifications listed in R.S. 47:6028(B)(2)(d)(i)-(xii).

How much is the credit?

Apprenticeship Tax Credit Program

For each eligible apprentice employed for at least 250 hours during the tax year, a credit of \$1.25 per hour is available, up to a maximum of \$1,250.

Youth Jobs Tax Credit

Employers can receive a credit of \$1,250 for hiring an eligible youth in a full-time position and \$750 for hiring an eligible youth in a part-time position.

What type of credit is it?

Apprenticeship Tax Credit Program

It is a non-refundable credit that can offset your tax liability. Any unused portion of the credit can be carried forward and applied to future tax liabilities for up to five years.

Youth Jobs Tax Credit

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What taxes can I apply the credit against?

Apprenticeship Tax Credit Program

Income and Franchise Taxes

Youth Jobs Tax Credit

Income and Franchise Taxes

How do I start the process?

Apprenticeship Tax Credit Program

- Establish a Registered Apprenticeship Program with the Louisiana Workforce Commission. Upon completion, a written apprenticeship agreement must be entered into with the apprentice to be hired. Visit www.laworks.net/Apprenticeship/APP_MainMenu.asp for more information. [OP1]
- Contact the National Center for Construction Education and Research to find training programs that the employee you are hiring can enrolled in.

Youth Jobs Tax Credit

1. When you hire an employee that is at least age 16 but younger than 24, have the employee complete Form R-90004-B, Louisiana Youth Jobs Tax Credit Employee Certification, to see if they qualify for purposes of the credit.
2. Submit Form R-90004, Louisiana Youth Jobs Tax Credit Application, to LDR at YouthJobsCredit@La.gov during application period of March 1 April 30. You must also include each qualifying employee completed Form R-90004-B.
3. LDR will review your application and notify you of the amount of the credit approved or if additional information is needed.

Is there a limit to the total amount of credits that LDR can approve?

Apprenticeship Tax Credit Program

Yes, LDR can only approve \$2.5 million per calendar year based on when the tax return is received.

Youth Jobs Tax Credit

Yes. LDR can only approve \$5 million per calendar year based on when the application is received.

When can I earn the credit?

Apprenticeship Tax Credit Program

Any tax years 2022 – 2028.
The eligible apprentice must be employed anytime from January 1, 2022, through December 31, 2028.

Youth Jobs Tax Credit

Any tax years 2021- 2025.
For tax year 2021, the employee must have been hired on or after July 1, 2021.

How do I claim the credit on my tax return?

Apprenticeship Tax Credit Program

The credit is reported using Credit Code 463 on:

- CIFT-620, Schedule NRC-P3, or
- IT-540 or IT-540B, Schedule J

Youth Jobs Tax Credit

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- CIFT-620, Schedule NRC-P3, or
- IT-540 or IT-540B, Schedule J

What documentation do I need to submit with my tax return for the credit?

Apprenticeship Tax Credit Program

1. Form R-90005, Apprenticeship Tax Credit Employer Certification
2. Form R-6311, Tax Incentives with Job Creation Components
3. Supporting documentation listed on Form R-90005

Youth Jobs Tax Credit

1. Form R-90004, Louisiana Youth Jobs Tax Credit Application
2. Form R-6311, Tax Incentives with Job Creation Components

Where can I get more information?

Apprenticeship Tax Credit Program

See Revenue Information Bulletin No. 23-008 on LDR's website.

Youth Jobs Tax Credit

See Revenue Information Bulletin No. 22-009 on LDR's website.
Contact LDR at YouthJobsCredit@La.gov