

DECLARATION OF EMERGENCY

Department of Revenue

Louisiana Fortified Roof Tax Credit Program (LAC 61:I.1935)

In accordance with the emergency provisions of the Administrative Procedures Act R.S. 49:962(A)(1), which allows the Department of Revenue, Tax Policy and Planning Division to use emergency procedures to establish rules, and R.S. 47:1511, which allows the department to make reasonable rules and regulations, the Secretary hereby adopts LAC 61:I.1935 to effectively administer R.S. 47:6044 relative to the Louisiana fortified roof tax credit program.

Revised Statute 47:6044 establishes a nonrefundable income tax credit for Louisiana resident taxpayers who install a fortified roof, as certified by the Insurance Institute for Business and Home Safety, on their primary residence. The credit is equal to the amount of qualified expenses, up to \$10,000 per residence, and applies only to certain owner-occupied homes with a homestead exemption. The program is capped at \$10 million in credits per fiscal year, allocated on a first-come, first-served basis, with proration required if the amount of requests received exceed available credit cap space. Credits may be carried forward for up to three years but cannot be claimed in combination with other state tax benefits or fortified roof grant funds received pursuant to R.S. 22:1483.1.

Act 404 of the 2025 Regular Session requires the Louisiana Department of Revenue to promulgate rules to establish policies relative to the administration of the eligibility criteria and any other matters deemed necessary to implement the Louisiana fortified roof tax credit provided by R.S. 47:6044. The credit applies to qualifying expenses incurred on or after July 1, 2025, and may not be earned after December 31, 2031. This Emergency Rule is necessary to effectively administer the program due to time constraints related to the legislative passage of Act 404. It shall be effective July 17, 2025, and shall remain in effect for 180 days, unless renewed or revoked, or until adoption of the final Rule, whichever occurs first.

Title 61

REVENUE AND TAXATION

Part I. Taxes Collected and Administered by the Secretary of Revenue

Chapter 19. Miscellaneous Tax Exemptions, Credits and Deductions

§1935. Louisiana Fortified Roof Tax Credit Program

A. General

Revised Statute 47:6044 authorizes a nonrefundable income tax credit for Louisiana residents who install a fortified roof, as certified by the Insurance Institute for Business and Home Safety, on qualifying property owned by the taxpayer on which the resident taxpayer has a homestead exemption.

B. Definitions

1. Terms not otherwise defined in this Section shall have the meaning given to them in R.S. 47:6044, unless the context clearly indicates otherwise.

2. For purposes of this Section, the following words have the meanings provided herein, unless the context clearly indicates otherwise.

Department—the Louisiana Department of Revenue.

FORTIFIED—a program of the IBHS.

FORTIFIED designation—a written certificate issued by the IBHS confirming that a qualifying property meets or exceeds the IBHS fortified roof standards.

FORTIFIED home evaluator—an independent, third party who has completed the FORTIFIED training requirements and is certified by the IBHS as a home evaluator who can certify that a home meets the FORTIFIED roof standards. A list of certified home evaluators can be found at www.fortifiedproviders.com

Insurance Institute for Business and Home Safety (IBHS)—a non-profit research and communications organization of the property and casualty insurance industry that defines the fortified roof standards for homes, information for which can be found at www.fortifiedhome.org.

Louisiana Fortified Roof Tax Credit Program (LFRTCP)—a program enacted by Act 404 of the 2025 Regular Session, administered by the department, to provide an individual income tax credit to incentivize homeowners to retrofit roofs of insured property, as defined in R.S. 22:1483(C)(9), with a homestead exemption utilizing construction techniques demonstrated to reduce losses caused by a hurricane, tornado, or other catastrophic windstorm event and that meet or exceed the IBHS FORTIFIED roof standard, information for which can be found at www.ibhs.org.

LFRTCP-approved contractor—a contractor listed in the IBHS Directory at www.fortifiedproviders.com who meets the program requirements of this Section.

C. Credit Eligibility Requirements. All of the following requirements shall be met to earn the credit:

1. The home shall be a qualifying property in good repair unless damaged by a hurricane, non-hurricane wind, or hail.

2. The fortification work shall comply with the requirements of Subsection D.

3. The taxpayer shall be responsible for paying a certified home evaluator of the homeowner's choice to provide an IBHS home evaluation as well as all other costs and fees necessary to satisfy the requirements of this Section, including, but not limited to, legally required permits or inspections. These expenses shall not constitute qualifying expenses for purposes of the credit.

D. Fortified Roof Installation Requirements

1. Prior to installation, a FORTIFIED home evaluator of the homeowner's choice must provide the homeowner with an IBHS home review evaluation of the home seeking to be FORTIFIED.

2. The FORTIFIED home evaluator shall determine whether the home meets a minimum structural standard on a pass-fail basis before identifying all improvements required to meet or exceed the FORTIFIED roof standard. Thereafter, the FORTIFIED home evaluator shall summarize his findings in a report and provide a copy to the homeowner.

3. After meeting the requirements of Paragraph (1) and (2) of this Subsection, the taxpayer must contract with an LFRTCP-approved contractor to fortify the home. Once the LFRTCP-approved contractor completes the fortification work on the home, the contractor must provide the taxpayer with a copy of the signed contract, a final invoice, and a completed Form R-90157-B, LFRTCP Qualifying Expenses.

4. After meeting the requirements of Paragraphs (1), (2), and (3) of this Subsection, a certified home evaluator

will perform all required evaluations to confirm that the LFRTCP-approved contractor completed the fortification work according to the IBHS FORTIFIED roof standard. Thereafter, the IBHS shall review the evaluation and determine whether to issue a FORTIFIED designation.

E. Documentation Requirements

1. To apply for the Louisiana fortified roof tax credit, a resident taxpayer shall complete and submit Form R-90157, Application for Louisiana Fortified Roof Tax Credit together with Form R-90157-B, LFRTCP Qualifying Expenses which has been completed by the LFRTCP-approved contractor who performed the fortification work. Completed applications must be submitted electronically through the Louisiana Taxpayer Access Point (LaTAP) and shall include all of the following supporting documents:

a. A copy of the report prepared by a FORTIFIED home evaluator which identifies all improvements required to meet or exceed the FORTIFIED roof standard.

b. A copy of the signed contract with an LFRTCP-approved contractor.

c. A copy of the final invoice issued by the LFRTCP-approved contractor.

d. A copy of the FORTIFIED designation which lists the date of certification.

2. The Department shall notify each taxpayer that submitted a timely and complete application as to whether the application has been approved or denied. If approved, the notice shall indicate the amount of credit earned and the taxable periods against which the nonrefundable credit(s) may be used. If denied, the notice shall provide the reasons for denial.

3. An application shall not be considered complete until all documentation requested by the department has been received. Failure to respond within 60 days of a request for documentation from the department will result in denial of the application and require the submission of a new application with an updated application date.

F. Contractor Eligibility Requirements

1. To be eligible to work as an LFRTCP-approved contractor, the contractor must meet all of the following program requirements:

a. Holds a valid residential license or home improvement registration issued by the Louisiana State Licensing Board for Contractors (LSLBC) and be in good standing with the LSLBC.

b. Holds any other valid state or jurisdictional business licenses or work permits required by law in Louisiana.

c. Maintains a general liability policy with \$1,000,000 in liability coverage.

d. Maintains a workers' compensation policy in compliance with Louisiana law.

e. Holds a FORTIFIED certification issued by the IBHS or its successor.

f. Is listed on the IBHS Directory as an approved contractor at www.fortifiedproviders.com.

g. Complies with all regulatory and tax laws regulating businesses in the state of Louisiana.

G. Conflicts of Interest

1. LFRTCP-approved contractors

a. LFRTCP-approved contractors cannot possess a financial interest in any projects for which they perform work toward a FORTIFIED designation other than for payment by the homeowner for services rendered.

b. LFRTCP-approved contractors cannot be the FORTIFIED home evaluator for a FORTIFIED designation on any project eligible for the LFRTCP.

2. FORTIFIED home evaluators

a. FORTIFIED home evaluators cannot possess a financial interest in any projects for which they perform work toward a FORTIFIED designation other than for payment by the homeowner for services rendered.

b. FORTIFIED home evaluators cannot be the LFRTCP-approved contractor or supplier of any material, products, or systems installed in any home they inspect for FORTIFIED designation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:1511 and 47:6044.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Tax Policy and Planning Division, LR 51:

Richard Nelson
Secretary

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