

New Tax Incentive for Employers Hiring Apprentices & Interns

In 2025, the Louisiana Legislature passed Act 376, which establishes a new tax credit that supports Louisiana employers who hire apprentices, high school interns, and certain youth workers. This new law repeals two existing and underutilized credits, the Youth Jobs Tax Credit and the Apprenticeship Tax Credit, and replaces them with the new and enhanced Work-Based Learning Tax Credit.

This new credit both expands the prior credits and aligns to the state's new school accountability system, particularly as it relates to its goal of ensuring that high school graduates are better prepared for college, career, or service.

Goals of Act 376

- **Enhance the Workforce Pipeline:** By reducing the cost of hiring apprentices, high school interns, and certain youth workers, this tax credit helps businesses build their future workforce now.
- **Support Education Improvements:** This credit is aligned with *Grow. Achieve. Thrive.*, BESE's new public school accountability system which emphasizes paid on-the-job-experience for high school students.
- **Keep Talent In-State:** Giving students real-world work opportunities early helps expose young people to careers and job opportunities inside Louisiana

How It Works: Act 376

- **Tax Credit:** Establishes a tax credit for businesses that employ registered apprentices, interns, or youth workers.
- **Credit Amount:**
 - **\$2.50 per hour** worked, up to a maximum of \$2,500 per "eligible worker" per year.
 - Employers must employ the individual for at least **100 hours** in the tax year to qualify.
- **Credit Carry-Forward:** Any credit that exceeds a company's Louisiana tax liability can be carried forward for up to **5 years**.
- **Time Frame:** The credit is available for employment of eligible workers between **January 1, 2026 and December 31, 2031**.
- **Application:** Employers must apply for the credits between **January 1 and February 28** after the year in which the credit was earned by using the [Louisiana Taxpayer Access Point \(LaTap\)](#).

Important Note: For the 2026 tax year, the total tax credit available to be claimed is **\$1 million**, which is allowed to grow to a maximum of \$7.5 million in future years based on utilization. Because of this cap, applications for each tax credit will be approved on a **first-come, first-served basis**.

For this reason, it is important that businesses apply for the credits as early as possible.

More detailed information is available from the Department of Revenue: **Work-Based Learning Tax Credit [Bulletin #25-028](#)**.