

Income/Franchise:

Louisiana: New Mobile Workforce Law Imposes Nonresident Withholding Using a 25-Day Threshold

S.B. 157, signed by gov. 6/16/21. Effective immediately and applicable as of January 1, 2022, new law generally exempts nonresident employees from a Louisiana income tax liability if they perform employment duties in Louisiana for 25 or fewer days during the calendar year, and correspondingly exempts their employers from a state income tax withholding requirement for such employees. However, this exemption does *not* apply to certain professional athletes, staff members of professional athletic teams, professional entertainers, public figures, or qualified motion picture production employees. Under this “mobile workforce” state legislation, if a nonresident employee works in Louisiana for more than 25 days in a calendar year, the individual generally is subject to state income taxation on all days of earnings in Louisiana, including the first 25 days; and corresponding state income tax withholding would be required of such individual’s employer. Please contact us with any questions.

URL: <https://legis.la.gov/legis/BillInfo.aspx?s=21RS&b=SB157&sbi=y>

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