

Income/Franchise:

Louisiana: Proposed Rule Reflects “Mobile Workforce” Law Imposing 25-Day Threshold for Nonresident W/H

Proposed Reg. section 61:l.1923, La. Dept. of Rev. (7/20/22). The Louisiana Department of Revenue proposed a rule reflecting legislation enacted last year [see S.B. 157 (2021) and *State Tax Matters*, Issue 2021-25, for more details on this 2021 legislation] that 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. The proposal reflects that if a nonresident employee performs employment related duties in Louisiana for a period in excess of 25 days in a calendar year, the employer must withhold and remit tax to Louisiana for the entire year, including the first 25 days. Comments on the proposed rule are due by August 24, 2022, and a related public hearing is scheduled on August 25, 2022. Please contact us with any questions.

URL: <https://www.doa.la.gov/media/jtmpe1wq/2207.pdf>

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

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/STM/210625_9.html

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