

RULE

Department of Revenue Policy Services Division

Income Exemption for Digital Nomads (LAC 61:I.1357)

Under the authority of R.S. 47:297.18 and 1511, and in accordance with the provisions of the Administrative Procedures Act, R.S. 9:950 et seq., the Department of Revenue, Policy Services Division, (“the Department”) adopts LAC 61:I.1357 relative to the Louisiana individual income tax exemption for individual taxpayers who qualify as digital nomads.

R.S. 47:293(9)(a)(xxii) and 47:297.18, provide an individual income tax exemption for digital nomads, as defined therein. The digital nomad exemption authorizes individuals who qualify as a digital nomad to exempt up to 50 percent of their gross wages from state income tax, limited to \$150,000, for a period of up to two taxable years during taxable years 2022, 2023, 2024, and 2025. The primary purpose of this regulation is to implement R.S. 47:293(9)(a)(xxii) and 47:297.18 as enacted by Act 387 of the 2021 Regular Session while providing guidance to taxpayers seeking to claim the digital nomad exemption. This Rule is hereby adopted on the day of promulgation.

Title 61

REVENUE AND TAXATION

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

Chapter 13. Income: Individual

§1357. Income Exemption for Digital Nomads

A. General Description

1. The Digital Nomads Exemption provides a state individual income tax exemption for digital nomads, as defined by R.S. 47:297.18, equal to 50 percent of their gross wages, limited to \$150,000, for a period of up to two taxable years during taxable years 2022, 2023, 2024, and 2025.

2. The exemption applies only to gross wages received for remote work performed as a digital nomad in Louisiana.

B. Definitions. For the purposes of this Section, the following terms shall have the meaning ascribed therein.

Coworking Space—a membership-based workspace where diverse groups of freelancers, remote workers, and other independent professionals work together in a shared, communal setting.

Department—the Louisiana Department of Revenue or its successor.

Employee—as defined in R.S. 47:111(A).

Employer—as defined in R.S. 47:111(B).

Full-Time Remote Worker—a remote worker employed on average for at least 30 hours of remote service per week.

Nonresident Business—any business entity that has not filed nor is required to file any state tax return in Louisiana for taxable periods beginning on or after January 1, 2021; has no employees other than those who qualify as digital nomads working remotely, agents, or independent contractors within the state; is not registered to do business in the state; and is not transacting business with residents of the state or otherwise availing itself of Louisiana’s economic market.

Remote Work Agreement—an agreement signed by the employer and the participating employee that defines the terms of a remote working arrangement, including the number of days per year the participating employee will work remotely and any restrictions on the place from which the participating employee will work remotely.

Remote Work—work performed within the ordinary course and scope of employment on a workday that ordinarily would be performed at the employer’s work location, from an approved worksite other than the employer’s work location.

C. Eligibility

1. To qualify as a digital nomad for the purposes of this exemption, an individual must meet the following criteria:

a. establish residency in Louisiana after December 31, 2021;

b. be a policyholder, subscriber, enrollee, or other individual enrolled in or insured by a health insurance issuer for major medical health insurance coverage;

c. work remotely full-time for a nonresident business;

d. must have the intent to work remotely in Louisiana prior to establishing residency;

e. must file a Louisiana resident or part-year resident individual income tax return for the taxable year in which they are claiming the exemption;

f. must not have been a resident or domiciliary of Louisiana for any of the three years immediately preceding the establishment of residency or domicile after December 31, 2021;

g. must not have been required to file a Louisiana resident or part-year resident individual income tax return for any of the three years prior to claiming the exemption and;

h. performs the majority of employment duties in Louisiana either remotely or at a co-working space.

2. Any nonresident service member of the Armed Forces of the United States of America and any spouse of a nonresident service member of the Armed Forces of the United States of America who meets the eligibility requirements of Paragraph 1 of this Subsection may qualify for the digital nomads exemption if:

a. the nonresident service member is present in Louisiana in compliance with the nonresident service member’s military orders;

b. the spouse is not a resident or domiciliary of Louisiana; and

c. the spouse is present in Louisiana solely to be with the nonresident service member.

3. Illustrative Examples. For each of the examples below, it shall be assumed that the eligibility requirements of Paragraph 1 of this Subsection have been met unless otherwise stated and the taxpayer continues qualifying employment for the second consecutive year.

a. A nonresident taxpayer working remotely full-time for a nonresident business relocates to and establishes residency in Louisiana on January 15, 2023, and continues to work remotely for the same nonresident business. The taxpayer will qualify for the income exemption for digital nomads for tax year 2023.

b. A nonresident taxpayer working remotely full-time for a nonresident business relocates to and establishes residency in Louisiana on January 15, 2023, and continues to work remotely for the same nonresident business. However, the taxpayer failed to timely apply for the exemption. The taxpayer does not qualify for the income exemption for digital nomads for the second year because he was required to file a Louisiana resident or part-year resident individual income tax return for tax year 2023.

c. A nonresident taxpayer working remotely full-time for a nonresident business relocates to Louisiana on March 24, 2023, solely to reside with their spouse who is a nonresident member of the Armed Forces of the United States of America stationed in Louisiana. The nonresident taxpayer continues to work remotely for the same nonresident business. The taxpayer will qualify for the income exemption for digital nomads for tax year 2023.

d. A nonresident taxpayer working remotely full-time for nonresident business "A" relocates to and establishes residency in Louisiana on May 23, 2023. The taxpayer terminates employment with nonresident business "A" on July 2, 2023, and begins full-time remote employment with nonresident business "B" on July 3, 2023. The taxpayer will qualify for the income exemption for digital nomads for tax year 2023.

e. A nonresident taxpayer working remotely full-time for nonresident business "A" relocates to and establishes residency in Louisiana on May 23, 2023. The taxpayer terminates employment with nonresident business "A" on July 2, 2023, and begins full-time remote employment with a resident business on July 3, 2023. The taxpayer will qualify for the income exemption for digital nomads for the income earned while working for nonresident business "A" for tax year 2023. However, the taxpayer does not qualify for the exemption for the second year.

f. A nonresident taxpayer relocates to and establishes residency in Louisiana on September 22, 2023 and begins working in person full-time for a resident business. The taxpayer terminates employment with the resident business and begins full-time remote employment with a nonresident business on October 30, 2023. The taxpayer does not qualify for the income exemption for digital nomads because he relocated to Louisiana for in-person employment with a resident business not as a remote worker for a nonresident business.

g. A nonresident, unemployed taxpayer relocates to and establishes residency in Louisiana on January 15, 2023 with an offer of employment to begin employment as full-time remote worker with a nonresident business on February 1, 2023. The taxpayer will qualify for the income exemption for digital nomads for tax year 2023.

h. A nonresident, unemployed taxpayer relocates to and establishes residency in Louisiana on January 15, 2023. Taxpayer subsequently finds and begins employment as full-time remote worker with a nonresident business on March 30, 2023. The taxpayer does not qualify for the income exemption for digital nomads because he had no intent to relocate to Louisiana to work remotely.

D. Limitations

1. The department may approve no more than 500 taxpayers for the life of the program. A taxpayer may be

approved for the exemption for a second year after receiving recertification.

2. No exemption is authorized for any wages earned by a digital nomad after December 31, 2025.

E. Application

1. Beginning January 1, 2023, taxpayers seeking to claim the digital nomad income tax exemption must apply each year by submitting Form R-90006, Digital Nomad Exemption Application and Certification of Exemption Amount. This annual application requirement applies to all taxpayers, including those who are applying for recertification for their second year of eligibility.

2. The application period for calendar year 2022 shall begin on February 1, 2023 and conclude on March 31, 2023. Thereafter, the application period shall begin on February 1 and conclude on March 31 of each subsequent calendar year for the prior year. If the start or end date falls on a weekend or holiday, the date will be the next business day. Applications may not be submitted and will not be accepted prior to, or subsequent to, the application period. Eligible applications shall be approved by the department on a first-come, first-served basis as determined by the received date and time of a completed digital nomad exemption application. An application shall not be considered complete until all information requested by the department has been received.

3. Taxpayers must electronically submit Form R-90006, Digital Nomad Exemption Application and Certification of Exemption Amount to the Department for review by submitting their application to DigitalNomadExemption@La.gov. A taxpayer is approved upon satisfactorily demonstrating that they have met the requirements of Subsection C of this Section during the calendar year.

4. Only applications concerning eligibility of gross wages earned for remote work performed by a digital nomad in the prior calendar year may be submitted and considered for purposes of the exemption.

5. Each application must contain an applicant's home mailing address, applicant's Social Security number, a copy of the applicant's remote work agreement, a copy of applicant's W-2 for the year for which the application is submitted, a copy of the first and last pay stub from applicant's employer for the year for which application is submitted, a copy of the first and last pay stub from applicant's employer for the dates that applicant worked remotely for the year for which application is submitted, and a copy of the applicant's Louisiana driver's license and voter registration card.

F. Certification

1. After review and determination of qualification, the Department shall provide a copy of the completed Form R-90006 to the taxpayer no later than April 30 of each calendar year notifying them as to whether their application has been approved or denied. If approved, the form shall notify the taxpayer of the amount eligible for the exemption, not to exceed 50 percent of the taxpayer's gross wages earned as a digital nomad, limited to \$150,000. If denied, the form shall provide the reasons for denial.

G. Claiming the Exemption.

1. Resident individual taxpayers shall make a modification on Schedule E of their Louisiana Form IT-540,

Louisiana Resident Income Tax Return, in accordance with La. R.S. 47:297.18. A part-year resident shall make the modification on the Nonresident and Part-Year Resident (NPR) Worksheet of the Louisiana Form IT-540B, Louisiana Nonresident and Part-Year Resident Income Tax Return.

2. The accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required herein, as provided by La. R.S. 47:1624(F).

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:297.18 and R.S. 47:1511.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Services Division, LR 49:2112 (December 2023).

Kevin J. Richard, CPA
Secretary

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RULE

**Department of the State
Office of the Secretary of State**

Department Non-Statutory Fees (LAC 4:I.401)

Pursuant to the provisions of the Administrative Procedure Act (R.S. 49:950 et seq.) and under the authority of R.S. 3:1447, R.S. 9:2782, R.S. 18:1293, R.S. 24:172, R.S. 24:173.1, R.S. 25:1282, R.S. 25:1284, R.S. 36:742, R.S. 40:1151.2, R.S. 43:19, R.S. 44.1 et seq., R.S. 44:402, R.S. 44:405, R.S. 44:406, R.S. 44:408, R.S. 44:415, R.S. 44:420, R.S. 44:421, R.S. 49:222(A), R.S. 49:227, R.S. 49:228, Hague Convention of 5 October 1961 Abolishing the Requirement of Legalization for Foreign Public Documents, and Hague Convention of 29 May 1993 on Protection of Children and Co-operation in Respect of Intercountry Adoption (22 CFR Part 96), the Department of State has adopted a non-statutory fee schedule for the Department of State. In addition, the Department of State is adopting rules and fees for the Louisiana State Archives Facilities. This Rule is hereby adopted on the day of promulgation.

Title 4

ADMINISTRATION

Part I. General Provisions

Chapter 4. Department of State

§401. Department of State Non-Statutory Fee Schedule

A. The Department of State has established non-statutory fee schedules for various filings, services, and publications. If a product referred to in the schedules shown below has to be mailed, the cost for mailing said product would be added to the fee charged.

1. Department of State General Fees

Item	Fee
Express Delivery (Cost Per Package)	Actual Cost
Non-Sufficient Funds Charge	\$25.00
Photocopies (Per Page)	\$0.25
Postage (Per Package)	Actual Cost
Public Records Request Fee (Certify Public Records) (Cost Per Certification Form)	\$20.00
Public Records Request Fee (Cost Per Page up to 8 1/2" X 14") (Two-sided copy is charged as two pages)	\$0.25

Item	Fee
(Including Facsimile)	
Public Records Request Fee (Cost Per Page for Printed Copy Greater Than 8 1/2" X 14") (Two-sided copy is charged as two pages)	Actual Cost
Public Records Request Fee (Cost Per Page for CD-ROM or USB Drive)	\$0.25
Public Records Request Fee (Cost Per Page for Electronic File Emailed)	\$0.25

2. Business Services Division—Commercial

Item	Fee
Corporations –	
Complete Corporation Information Computer Data Transfer	
Weekly, Per Initial Load	\$2,500.00
50 Files at \$200 Per Week	\$10,000.00
Total	\$12,500.00
Monthly, Per Initial Load	\$2,500.00
11 Monthly Files at \$400	\$4,400.00
Total	\$6,900.00
Monthly Trade Names Only, 12 Monthly Files	
Total	\$1,725.00
Customized Computer List (Per Page)	\$25 for 1 st 40 Records Plus \$0.01 Per Each Additional Record
Miscellaneous Corporations Fees --	
Agent for Service of Process	\$15.00
Certificate for Service of Process	\$20.00
Political Subdivision	\$10.00
Power of Attorney	\$25.00
Uniform Commercial Code –	
Direct Access Fee, Annual Subscription, Unlimited Usage	\$400.00
Monthly Updates Information Computer Data Transfer, Annual Fee, Monthly Updates Subscription	\$6,900.00

3. Legal Division—Commissions

Item	Fee
Adoptions (Apostilles or Authentication Certificates) (Cost Per Certificate)	\$10.00
Apostille Certificate (Cost Per Certificate)	\$20.00
Certificate of Authentication (Cost Per Certificate)	\$20.00
Certificate of a Pardon (Cost Per Certificate)	\$20.00
Certified Document (Executive Orders or Proclamations) (Per Document)	\$20.00
Replacement Commission Certificate	\$20.00
Replacement Identification Card	\$5.00

4. Election Services—Publications

Item	Fee
Bond Registration Certificate (Municipal Bonds) (Optional)	\$10.00
Certified Copy (In Addition to Per Page Fee)	\$20.00
Certified Copy of "Living Will" Declaration Registration	\$20.00
"Living Will" Replacement of Identification Card	\$5.00
Proces Verbal	
Recordation	\$10.00
Proces Verbal (Cost Per Page)	\$2.00
Public Officials Signature Registration Certificate	\$10.00
Publications	
Ballot Box	\$5.00
Buckram Bound Acts of Legislature	
2010/I, II and III (2010 Regular Session)	\$172.00
2011/I and II (2011 Regular and 1st Extraordinary Sessions)	\$120.00