

denominator, which can either increase, decrease, or have no effect on sales depending on whether the income is Louisiana or out-of-state income. However, the reclassification to allocable income is unlikely to fully offset the state revenue decrease from the reduction in apportionable income.

This proposal should have no impact on the revenue collections of local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NONGOVERNMENTAL GROUPS (Summary)

Tax liabilities of affected taxpayers are anticipated to decrease by an indeterminable amount, although the exact tax liability is dependent upon the individual business model of each taxpayer. No additional tax forms or paperwork is anticipated by affected taxpayers, as LDR staff indicate that field auditors will assess whether or not sales are being sourced to the appropriate locations.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule is not anticipated to have a material effect on competition and employment.

Brandea Averett
Deputy Secretary
2606#025

Alan M. Boxberger
Legislative Fiscal Officer
Legislative Fiscal Office

NOTICE OF INTENT

Department of Revenue Tax Policy and Planning Division

Income Tax Withholding on Gaming Winnings (LAC 61:I.1525)

Under the authority of R.S. 47:1511 and 164(F) and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Tax Policy and Planning Division, proposes to amend LAC 61:I.1525 relative to the Income Tax Withholding on Gaming Winnings.

The purpose of this proposed Rule is to repeal provisions that duplicate statutory requirements for income tax withholding on gaming winnings. Act 133 of the 2024 Regular Legislative Session enacted R.S. 47:164(D)(3), (E), and (F), which codify these requirements. Accordingly, the Department proposes to repeal the duplicative provisions in LAC 61:I.1525.

This proposed Rule is written utilizing plain language principles to ensure clarity and accessibility for all users. It has also been reviewed and tested for compliance with web accessibility standards.

Title 61

REVENUE AND TAXATION

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

Chapter 15. Income: Withholding Tax

§1525. Income Tax Withholding on Gaming Winnings

A. - A.3. Repealed.

B. - B.2. ...

AUTHORITY NOTE: Promulgated in accordance with Act 80 of the 2021 Regular Session of the Louisiana Legislature, R.S. 47:32(A), R.S. 47:164, and R.S. 47:1511.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Service Division, LR 36:2877 (December 2010), LR 48:504 (March 2022), LR 52:71 (January 2026), amended by the Department of Revenue, Tax Policy and Planning Division LR 52:

Family Impact Statement

The proposed Rule should not have any known or foreseeable impact on any family as defined by R.S. 49:972(D) or on family formation, stability and autonomy. Specifically, the implementation of the proposed amendment will have no known or foreseeable effect on:

1. the stability of the family.
2. the authority and rights of parents regarding the education and supervision of their children.
3. the functioning of the family.
4. family earnings and family budget.
5. the behavior and personal responsibility of children.
6. the ability of the family or a local government to perform this function.

Poverty Impact Statement

This proposed Rule will have no impact on poverty as described in R.S. 49:973.

Small Business Analysis

The proposed Rule is not expected to have a significant adverse impact on small businesses as defined in the Regulatory Flexibility Act. The agency, consistent with health, safety, environmental and economic factors has considered and, where possible, utilized regulatory methods in drafting this proposed Rule to accomplish the objectives of applicable statutes while minimizing any anticipated adverse impact on small businesses.

Provider Impact Statement

The proposed Rule will have no known or foreseeable effect on:

1. the staffing levels requirements or qualifications required to provide the same level of service.
2. the total direct and indirect effect on the cost to the provider to provide the same level of service.
3. the overall effect on the ability of the provider to provide the same level of service.

Public Comments

Any interested person may submit written data, views, arguments or comments regarding these proposed amendments to Morgan Newton, Attorney, Tax Policy and Planning Division, by email to morgan.newton@la.gov. All comments must be received no later than 4 p.m., July 27, 2026.

Public Hearing

Interested persons may submit a written request for a public hearing no later than July 10, 2026, at 4:30 p.m. Requests may be submitted via email to morgan.newton@la.gov and reference Income Tax Withholding on Gaming Winnings. Pursuant to R.S. 49:961(B)(1), a public hearing will be held only if the statutory requirements are satisfied. If those requirements are met, the hearing will take place on July 28, 2026, at 11:30 a.m. in the River Room, located on the seventh floor of the LaSalle Building, 617 North Third Street, Baton Rouge, LA 70802, to receive oral and written comments from interested persons. If the requirements have been met and a public hearing will be held, notice of the hearing will be posted under the respective rule topic on the Department's website at <https://revenue.louisiana.gov/tax-policy/rules-regulations>, under "Types," then "Nonemergency Rulemaking." A posted notice confirms that the statutory hearing requirements have been met and that the hearing will be held. If no notice appears, a public hearing will not be conducted.

In accordance with the Americans with Disabilities Act, should individuals with a disability need an accommodation in order to participate, contact Morgan Newton at by email at LDRadarequests@la.gov or by phone at (225) 219-2780.

Jarrod J. Coniglio
Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: **Income Tax Withholding on Gaming Winnings**

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

The proposed regulation is not anticipated to result in any direct implementation costs or savings to state or local governmental units. The purpose of this rule is to update or repeal provisions that are duplicate or are inconsistent with the statutory provisions for income tax withholdings on gaming winnings.

Act 133 of the 2024 Regular Legislative Session added specific withholding requirements for gaming winnings into state law in La. R.S. 47: 164 making parts of LAC 61: I.1525 A (1)-(3) unnecessarily duplicate. After this change, the rules related to income tax withholding requirements for gaming winnings exist as statutory law enacted by the legislature rather than through administrative regulations written by the Louisiana Department of Revenue.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule change is not anticipated to affect state or local government units' revenue collection. The proposed amendments propose to repeal duplicate provisions of the statutes found in LAC: I.1525 regarding Income tax withholding requirements but are not expected to change the existing withholding requirements.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NONGOVERNMENTAL GROUPS (Summary)

No material impact on costs or economic benefits is anticipated for directly affected persons, small businesses, or non-governmental groups from this proposed rule change.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

No material impact on competition or employment is anticipated from this proposed rule change.

Brandea Averett
Deputy Secretary
2606#051

Alan M. Boxberger
Legislative Fiscal Officer
Legislative Fiscal Office

NOTICE OF INTENT

Department of Revenue Tax Policy and Planning Division

Withholding by Professional Athletic Teams (LAC 61:I.1520)

Under the authority of R.S. 39.100.1 and R.S. 47:1511, 164(D), 295, 114, and 1602.1, and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Tax Policy and Planning Division, proposes to amend LAC 61:I.1520. The amendment changes the reference to the rate of withholding from a

numerical rate to the rate imposed on individuals pursuant to R.S. 47:32.

The purpose of this proposed Rule is to align the withholding tax rate applicable to professional athletic teams with the individual income tax rate established in R.S. 47:32, so that the rate adjusts by operation of law and ensures consistent and simplified administration.

This proposed Rule is written utilizing plain language principles to ensure clarity and accessibility for all users. It has also been reviewed and tested for compliance with web accessibility standards.

Title 61

REVENUE AND TAXATION

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

Chapter 15. Income: Withholding Tax

§1520. Withholding by Professional Athletic Teams

A. - B.3. ...

C. Rate of Withholding. The withholding tax rate under this Section shall be computed at the rate levied on individuals pursuant to the provisions of R.S. 47:32 and applied to the compensation attributable to "duty days" spent in Louisiana.

D. - G.1.b. ...

AUTHORITY NOTE: Adopted in accordance with R.S. 39:100.1, R.S. 47:164(D), R.S. 47:295, R.S. 47:1511, R.S. 47:114 and R.S. 47:1602.1.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Services Division, LR 30:91 (January 2004), amended LR 39:104 (January 2013), repromulgated LR 39:330 (February 2013), amended LR 48:507 (March 2022), amended LR 48:2766 (November 2022); amended by Department of Revenue, Tax Policy and Planning Division, 52:

Family Impact Statement

The proposed Rule should not have any known or foreseeable impact on any family as defined by R.S. 49:972(D) or on family formation, stability and autonomy. Specifically, the implementation of the proposed amendment will have no known or foreseeable effect on:

1. the stability of the family.
2. the authority and rights of parents regarding the education and supervision of their children.
3. the functioning of the family.
4. family earnings and family budget.
5. the behavior and personal responsibility of children.
6. the ability of the family or a local government to perform this function.

Poverty Impact Statement

This proposed Rule will have no impact on poverty as described in R.S. 49:973.

Small Business Analysis

The proposed Rule is not expected to have a significant adverse impact on small businesses as defined in the Regulatory Flexibility Act. The agency, consistent with health, safety, environmental and economic factors has considered and, where possible, utilized regulatory methods in drafting this proposed Rule to accomplish the objectives of applicable statutes while minimizing any anticipated adverse impact on small businesses.

Provider Impact Statement

The proposed Rule will have no known or foreseeable effect on:

1. the staffing levels requirements or qualifications required to provide the same level of service.