

Revenue Information Bulletin No. 24-015

March 18, 2025

Individual Income Tax

Filing Requirements for Military Servicemembers and Spouses

The Servicemembers Civil Relief Act¹ (“SCRA”) is a federal law that provides protections to active-duty military members, including those in the Army, Air Force, Coast Guard, Marine Corps, and Navy;² members of the National Guard mobilized under federal orders for more than 30 consecutive days; and active-duty commissioned officers of the Public Health Service and National Oceanic and Atmospheric Administration.³ This Revenue Information Bulletin explains how SCRA protections apply to state income taxes for servicemembers and their military spouses⁴ in Louisiana.

The SCRA has been amended over time to expand the relief for servicemembers and their spouses. The most recent change, the Veterans Auto and Education Improvement Act of 2022 (“VAEIA”),⁵ applies to tax years 2023 and later. Under the VAEIA a servicemember and their military spouse can each choose one of three taxing jurisdictions for state tax purposes:

1. The servicemember’s residence or domicile;
2. The military spouse’s residence or domicile; or
3. The servicemember’s permanent duty station

This election can be made for all tax years in which the couple is married and filing using the appropriate federal filing status.⁶ Once a couple is no longer legally married under Louisiana law, they are considered unmarried for purposes of the SCRA.

General Principles of Domicile and Louisiana Income Tax

For Louisiana income tax purposes, a Louisiana resident individual means an individual domiciled in Louisiana. Individuals are “domiciled” in Louisiana when they intend to make Louisiana their true, fixed, and permanent home. Even if the individual is absent at times, domicile is the place to which the individual intends to return. Actual residence is not

¹ Servicemembers Civil Relief Act (P.L. 108-189).

² 10 U.S.C. § 101(d)(1).

³ 50 U.S.C. § 3911.

⁴ Military spouse includes both civilian spouses and spouses who are also servicemembers.

⁵ Veterans Auto and Education Improvement Act of 2022 of Jan. 5, 2023, Pub. L. No. 117-333, 136 Stat. 6121 (2023).

⁶ La. R.S. 47:294 requires taxpayers to use the same filing status used on their federal income tax return for Louisiana. Under federal law, for the purpose of filing status, a married individual is defined in 26 U.S.C. 7703.

necessarily domicile. An individual establishes domicile in Louisiana on the date they arrive in the state for other than temporary or transient purposes. Once domicile is established, it remains the individual's domicile until it is abandoned. Domicile in Louisiana is abandoned when an individual leaves the state with no intention of maintaining their true, fixed, and permanent home in Louisiana and establishes a domicile in another state while present in the other state for other than temporary or transient purposes.

Intent to change domicile can be shown through any one or more of the actions listed below:

- Purchasing a home in another state for use as a principal residence
- Obtaining a homestead exemption
- Paying taxes as a resident of another state
- Obtaining a driver's license as a resident of another state
- Enrolling your children in school in another state
- Registering a motor vehicle as a resident of another state
- Completing DD Form 2058 (Declaration of servicemember's "permanent state of residency")
- Registering to vote in another state

Louisiana resident individuals are taxed on all income, regardless of where it is earned.⁷ If the Louisiana resident is taxed on out-of-state income, they may take a credit against their Louisiana income tax for the amount of taxes paid to the other state on that out-of-state income, subject to certain limitations.⁸ Nonresident or part-year resident individuals are taxed on all income earned within or derived from Louisiana sources.⁹

Making the Election Under the SCRA

To elect Louisiana as the tax domicile under the SCRA, the servicemember and/or spouse should attach a written statement to the first return filed under the election. For subsequent tax years, no additional election statement is required unless the servicemember and/or spouse choose to elect a different state as their tax domicile. If you qualify under the SCRA, and are a nonresident or part-year resident, mark an "X" in the "MSRA" box on the face of Form IT-540B, *Louisiana Nonresident and Part-Year Resident Income Tax Return*. If the electing taxpayer is not required to file, a statement must be submitted to the Department of Revenue by fax to (225) 231-6238 or mailed to the following address:

Louisiana Department of Revenue
Taxpayer Compliance – Income Division
P.O. Box 66362

⁷ La. R.S. 47:31(1).

⁸ La. R.S. 47: 33; see Revenue Information Bulletin 23-024 for additional information on Louisiana's credit for taxes paid to other states.

⁹ La. R.S. 47:31(2).

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Marital Status

The SCRA domicile election may be made for any taxable year in which the couple is married and filing using the appropriate federal filing status,¹⁰ regardless of the date on which the marriage occurred. (See Example 7). If the servicemember and spouse legally separate under a decree or judgment of divorce or of separate maintenance they will be considered unmarried for any portion of the year. An unmarried servicemember neither loses nor acquires a new tax domicile by way of being present in another state solely to be in compliance with military orders. Therefore, the servicemember must use their original state of domicile for the taxable year in which they were unmarried. (See Example 8.) Surviving spouses are not covered by the SCRA, so such individuals' residence is determined in accordance with state law. (See Example 6.)

Military Spouse's Income

Wages, interest, and dividends earned within Louisiana by the military spouse of a servicemember are exempt from Louisiana income tax if all of the following apply:

1. The servicemember is present in Louisiana in compliance with the servicemember's military orders;
2. The spouse is not or did not elect to be a resident or domiciliary of Louisiana; and
3. The spouse is present in Louisiana solely to be with the servicemember.

Income, other than wages, interest, or dividends, earned by the military spouse within or derived from sources in Louisiana is subject to Louisiana income tax as provided by law. Examples of taxable income include gaming winnings, sports and fantasy wagering winnings, lottery winnings, rents, royalties, and income from estates, trusts, or partnerships.

Withholding Tax Exemption: Requirements for Military Spouse

A military spouse whose wages are exempt from Louisiana income tax under the SCRA may claim an exemption from Louisiana withholding tax by submitting Form R-1307, *Exemption from Withholding Louisiana Income Tax L-4E* ("Form L-4E), to their employer. Form L-4E expires at the end of each year; therefore, a qualifying spouse must submit a new L-4E each year.

A military spouse must revoke the exemption certificate within ten days from the day the spouse no longer meets the provisions of the SCRA. To discontinue or revoke the exemption, the spouse must complete and submit Form R-1300, *Employee's Withholding Exemption*

¹⁰ La. R.S. 47:294 requires taxpayers to use the same filing status used on their federal income tax return on their Louisiana tax return. Under federal law, for the purpose of filing status, marital status is determined in accordance with 26 U.S.C. 7703.

Certificate L-4 ("Form L-4"), to their employer. Forms L-4E and L-4 can be found on our website [here](#).

Refund of Exempt Income Withheld; Proof Required

To request a refund of Louisiana income tax paid on income exempt pursuant to the SCRA, an eligible military spouse must file Form IT-540B, *Louisiana Nonresident and Part-Year Resident Income Tax Return*, using the same filing status as on the federal return. The exempt income must be reported using code 49E of the Nonresident and Part-Year Resident (NPR) Worksheet and identified as military spouse income by checking the MSRA box on the face of the return. Additionally, "MILITARY SPOUSE" should be written in black ink at the top of the tax return claiming the refund as well as all other forms and documents filed with the return. A copy of each of the following documents must be submitted with the return:

1. IRS Form W-2 showing the amount of Louisiana income tax withheld;
2. Military spouse's ID card;
3. Servicemember's LES (Leave and Earnings Statement);
4. Form DD 2058 (Declaration of servicemember's "permanent state of residency"); and
5. Record of servicemember's station assignments

To receive a refund, the original or amended Louisiana income tax return must be filed within three years from the 31st day of December of the year in which the tax became due or after one year from the date the tax was paid, whichever is later.¹¹

Extension of Time to Pay Taxes Due¹²

Income tax on a servicemember's earnings due before or during their military service can be delayed for the duration of their service, plus up to 180 days after leaving the military, if their ability to pay is affected by their service. During this deferment period, no interest or penalties will be charged. The servicemember must inform the Department if they are unable to pay the tax due to their military service.

Taxing Jurisdiction for Servicemember Domiciled in Louisiana

If a servicemember's home of record (domicile) is Louisiana, the servicemember is considered a resident of Louisiana and all income, regardless of where it was earned, is

¹¹ Example: The 2020 Louisiana individual income tax return was due May 15, 2021. Three years from December 31, 2021 is December 31, 2024. Therefore, in order to receive a refund of taxes paid, an original or amended return needs to be filed on or before December 31, 2024.

¹² 50 U.S.C. § 4000. An extension of time to pay taxes due does not relieve you of your obligation to file by the original due date.

taxable to Louisiana.¹³ The servicemember's domicile for state income tax purposes remains Louisiana until any of the following occur:

- The servicemember changes his or her domicile to another state; or
- The servicemember elects to use their permanent duty station or the domicile of their spouse if married, which is located in another state under the SCRA. This election may be made for tax years 2023 or after.

Taxing Jurisdiction for Servicemember Domiciled Outside of Louisiana

If a servicemember's domicile is outside of Louisiana, they are considered a nonresident and their domicile remains outside of Louisiana for state income tax purposes until either of the following occur:

- The servicemember changes his or her domicile to Louisiana; or
- For tax years 2023 and later, the servicemember elects to use as their domicile their permanent duty station or the domicile of their spouse if married, which is Louisiana, under the SCRA.

Regardless of whether a change of domicile or SCRA election is made, as a nonresident, all non-military Louisiana-sourced income earned by the servicemember is taxable to Louisiana.¹⁴

Taxing Jurisdiction for Military Spouse Domiciled in Louisiana

If a military spouse is domiciled in Louisiana, the spouse is considered a resident of Louisiana and all income, regardless of where it was earned, is taxable to Louisiana. The spouse's domicile remains Louisiana for state income tax purposes until any of the following occur:

- The spouse changes his or her domicile to another state under the general rules of domicile;
- For tax years 2023 and later, the spouse elects the domicile or permanent duty station of the servicemember (which is a state other than Louisiana) for income tax purposes under the SCRA; or
- For tax years 2018 through 2022, the spouse elects the servicemember's state of domicile (which is a state other than Louisiana) for state income tax purposes under the SCRA.

¹³ See [Revenue Information Bulletin No. 22-015](#), for information on the Military Pay Exclusion from Louisiana individual income tax.

¹⁴ Examples of non-military Louisiana-sourced income include but is not limited to income earned or derived from Louisiana sources such as gaming winnings, sports and fantasy wagering winnings, lottery winnings, wages from other non-military employment, rents, royalties, and income from estates, trusts, or partnerships.

Taxing Jurisdiction for Military Spouse Domiciled Outside of Louisiana

If a military spouse's legal domicile is outside of Louisiana, the military spouse's domicile remains outside of Louisiana for state income tax purposes until any of the following occur:

- The military spouse changes his or her domicile to Louisiana under the general rules of domicile;
- For tax years 2023 or later, the military spouse elects the domicile or permanent duty station of the servicemember (which is Louisiana) for income tax purposes under the SCRA; or
- For tax years 2018 through 2022, the military spouse elects the servicemember's state of domicile (which is Louisiana) for state income tax purposes under the SCRA.

When a military spouse is domiciled outside of Louisiana, the spouse is considered a nonresident and all Louisiana-sourced income, other than wages, interest, and dividends, is taxable to Louisiana.¹⁵

Impact of New Military Assignments on Spouse's Louisiana Income

If both the military spouse and servicemember are nonresidents in Louisiana in compliance with military orders and the servicemember receives new military orders (i.e., reassignment), income earned by the spouse after the reassignment will be subject to Louisiana income tax as noted below.

Temporary Duty (TDY)

- If a spouse is in Louisiana to be with a servicemember in compliance with PCS orders and the servicemember receives a TDY order to another state, the servicemember and spouse cannot elect to use the TDY location as their domicile state. If the spouse remains in Louisiana while the servicemember is away in compliance with the TDY orders, the spouse's Louisiana wages, interest, or dividends will not be subject to Louisiana income tax. (See Example 5.)

Permanent Change of Station (PCS)

- If the spouse is in Louisiana for less than six months after the servicemember relocates in compliance with a PCS order, Louisiana wages, interest, or dividends earned by the spouse during that period of time will not be subject to Louisiana income tax, provided the spouse has not changed their legal domicile to Louisiana.
- If the spouse remains in Louisiana for more than six months but less than one year after the servicemember's PCS order, the spouse is considered to be a part-year resident for the period of time spent in Louisiana. All of the spouse's Louisiana-sourced income received during that time will be subject to Louisiana income tax.

¹⁵ Examples of Louisiana-sourced income include but is not limited to income earned or derived from Louisiana sources such as gaming winnings, sports and fantasy wagering winnings, lottery winnings, rents, royalties, and income from estates, trusts, or partnerships.

- If the spouse remains in Louisiana for more than one year after the servicemember's PCS order, the spouse is considered to be a resident of Louisiana. All of the spouse's income received during that time will be subject to Louisiana income tax.

Combat Zones (includes contingency operation or qualified hazardous duty area)

- If the spouse remains in Louisiana after the servicemember's deployment to a combat zone, Louisiana wages, interest, or dividends earned by the spouse during the period of time in which the servicemember is serving in a combat zone will not be subject to Louisiana income tax, provided the spouse has not changed their legal domicile to Louisiana.

SCRA Benefits for Tax Years Prior to 2023

For tax years 2018 through 2022, the Veterans Benefits and Transition Act¹⁶ allows a military spouse to elect to use the same state of domicile as the servicemember for state income tax purposes regardless of where the military spouse is actually domiciled or when the two individuals were married.

The Military Spouses Residency Relief Act ("MSRA")¹⁷ governs tax years 2009 through 2017. For state tax guidance on the MSRA, please refer to Revenue Information Bulletins [10-005](#) and [10-006](#).

Questions concerning this publication may be submitted by email to Policy.Publications@LA.gov.

Richard Nelson,
Secretary

¹⁶ Veterans Benefits and Transition Act of Dec. 31, 2018, Pub. L. No. 115-407,132 Stat. 5368 (2018).

¹⁷ Military Spouses Residency Relief Act of Nov. 11, 2009, Pub. L. No. 111-97,123 Stat. 3007 (2009).

Appendix: Examples¹⁸

1. Servicemember and Spouse are Louisiana domiciliaries stationed in another state.

Servicemember and Spouse are both domiciled in Louisiana. Servicemember's permanent duty station is in Georgia. Servicemember lives in Georgia in order to be in compliance with military orders, and Spouse lives in Georgia in order to be with Servicemember. Spouse works full time in Georgia and has W-2 wages. Spouse and Servicemember were each awarded \$500 in gaming winnings at a Louisiana casino. Servicemember and Spouse may elect to choose either Louisiana or Georgia as their tax domicile state for income tax purposes.

Louisiana: If Servicemember and Spouse elect Louisiana as their tax domicile state, they will file Louisiana resident return, Form IT-540, *Louisiana Resident Income Tax Return*, and include all income, regardless of where it was earned, as Louisiana taxable income.

Georgia: If Servicemember and Spouse elect Georgia as their tax domicile state, the military income and Spouse's W-2 wages will not be taxed in Louisiana. However, Servicemember and Spouse will have to file either jointly or as married filing separately, using the same filing status as on the federal return, Form IT-540B, *Louisiana Nonresident and Part-Year Resident Income Tax Return*, checking thereon the MSRA box on the face of the return, reporting their Louisiana gaming winnings, and attaching an SCRA election statement if this is the first return filed under the election.

2. Servicemember and Spouse elect two different taxing jurisdictions.

Servicemember is domiciled in Louisiana, and Spouse is domiciled in Mississippi. Servicemember's permanent duty station is in Louisiana. Servicemember lives in Louisiana in order to be in compliance with military orders, and Spouse lives in Louisiana to be with Servicemember. Servicemember has a part-time civilian job in Louisiana in addition to the military service and receives W-2 wages. Spouse works full time in Louisiana and receives W-2 wages. Additionally, Spouse was awarded \$500 in gaming winnings at a Louisiana casino. Servicemember and Spouse may elect to choose either Louisiana or Mississippi as their domicile state for income tax purposes.

Louisiana and Mississippi: Servicemember elects to use Louisiana as their tax domicile state, and Spouse elects to use Mississippi as their tax domicile state. The gaming winnings earned by Spouse are taxable Louisiana-sourced income. Servicemember and Spouse may file, either jointly or as married filing separately, using the same filing status as on the federal return, either Form IT-540, *Louisiana Resident Income Tax Return*, or Form IT-540B, *Louisiana Nonresident and Part-Year Resident Income Tax Return*, whichever is more beneficial to

¹⁸ Examples are applicable to tax year 2023 and forward.

Servicemember and Spouse. In so filing, Servicemember and Spouse must check the MSRA box on the face of Form IT-540B, report Servicemember's military income, Servicemember's income from the civilian job, and Spouse's Louisiana gaming winnings . If this is the first return filed under an SCRA election, an SCRA election statement is also required. Spouse's W-2 wages will not be taxed in Louisiana but instead will be taxed in accordance with the laws of Mississippi.

3. Servicemember and Spouse are nonresidents stationed in Louisiana.

Servicemember is domiciled in Mississippi, and Spouse is domiciled in Georgia. Servicemember's permanent duty station is in Louisiana. Servicemember lives in Louisiana to be in compliance with military orders, and Spouse lives in Louisiana to be with Servicemember. Servicemember has a part-time civilian job in Louisiana in addition to the military service and receives W-2 wages. Spouse works full time in Louisiana and receives W-2 wages. Additionally, Spouse was awarded \$500 in gaming winnings at a Louisiana casino. Servicemember and Spouse may elect to use Mississippi, Georgia, or Louisiana as their domicile state for income tax purposes.

Louisiana: If Servicemember and Spouse elect Louisiana as their tax domicile state, they must file Form IT-540, *Louisiana Resident Income Tax Return*, either jointly or as married filing separately, using the same filing status as on the federal return, reporting Servicemember's military income, Servicemember's income from the civilian job, Spouse's W-2 wages and Spouse's Louisiana gaming winnings. Servicemember and Spouse must attach an SCRA election statement to their return if it is the first return filed under the election.

Mississippi/Georgia: If Servicemember and Spouse elect Mississippi or Georgia as their domicile state, the wages earned by Servicemember at the part-time civilian job and Spouse's gaming winnings are taxable to Louisiana. Servicemember and Spouse must report this income either jointly or as married filing separately, using the same filing status as on the federal return, on Form IT-540B, *Louisiana Nonresident and Part-Year Resident Income Tax Return*, checking the MSRA box on the face of the return. The military income and Spouse's W-2 wages income will not be taxed in Louisiana but instead will be taxed in accordance with the laws of Mississippi or Georgia as elected.

4. Servicemember and Spouse are nonresidents with Louisiana-sourced income.

Servicemember and Spouse are both domiciled in Mississippi. Servicemember's permanent duty station is in Georgia. Servicemember lives in Georgia to be in compliance with military orders, and Spouse lives in Georgia solely to be with Servicemember. During the tax year, Servicemember and Spouse sold their Louisiana vacation home and have \$50,000 of taxable capital gains on the sale. Servicemember and Spouse may elect to use either Mississippi or Georgia as their domicile state for tax purposes.

Louisiana: The capital gain from the sale of the Louisiana property is allocated to Louisiana and included in Louisiana taxable income. Servicemember and Spouse must report the \$50,000 capital gain as Louisiana taxable income by filing either jointly or as married filing separately, using the same filing status as on the federal return, on Form IT-540B, *Louisiana Nonresident and Part-Year Resident Income Tax Return*.

5. Servicemember has a temporary change of duty station.

Servicemember and Spouse are both domiciled in Louisiana. Servicemember's permanent duty station is in Louisiana. Servicemember receives a temporary duty assignment in Mississippi during the tax year. Servicemember and Spouse are considered domiciled in Louisiana for income tax purposes for the entire tax year, so all military pay will be included in Louisiana taxable income. Servicemember and Spouse cannot elect to use the temporary duty location as their domicile state.

6. Servicemember's death occurs during the tax year.

Servicemember is domiciled in Florida, and Spouse is domiciled in Louisiana. Servicemember's permanent duty station is in Louisiana. Servicemember lives in Louisiana to be in compliance with military orders, and Spouse lives in Louisiana to be with Servicemember. Servicemember dies during the tax year, and Spouse does not remarry. For income tax purposes, Servicemember and Spouse are considered married for the tax year. Spouse may elect to use either Florida or Louisiana as the domicile state for income tax purposes.

In future tax years, Spouse will be considered a surviving spouse, if there is a dependent, or single, if there is not a dependent, and cannot make an election under the SCRA. Instead, Spouse's domicile will be determined by state law.

7. Servicemember and Spouse marry during the tax year.

Servicemember and Spouse get married in December of the tax year. The filing status for income tax purposes is determined as of the end of the tax year, therefore the couple is considered married for the entire tax year regardless of the date on which the marriage occurred. Servicemember is domiciled in Mississippi, and Spouse is domiciled in Louisiana. Servicemember's permanent duty station is in Georgia. Servicemember lives in Georgia to be in compliance with military orders, and Spouse lives in Georgia to be with Servicemember. Servicemember and Spouse may elect to use Mississippi, Louisiana, or Georgia as their domicile state for the entire year for income tax purposes.

8. Servicemember and Spouse divorce during the tax year.

Servicemember and Spouse divorce, and the divorce is finalized in November of the tax year. The filing status for income tax purposes is determined as of the end of the tax year, so Servicemember and Spouse cannot file as married for the tax year. Servicemember is domiciled in Mississippi, and Spouse is domiciled in Louisiana. Servicemember's permanent duty station is in Georgia. Servicemember lives in Georgia to be in compliance with military orders, and prior to the divorce, Spouse lived in Georgia to be with Servicemember. Servicemember must use Mississippi and Spouse must use Louisiana as their tax domiciles for income tax purposes.