



**Revenue Information Bulletin**  
**No. 22-016**  
**December 6, 2022**  
**Individual Income Tax**

**Income Exemption and Carryforward Provisions of the START K12 Program**

START K12 account owners filing a single or married filing separately tax return may exempt up to a maximum of \$1,200 per beneficiary for Louisiana individual income tax purposes. An account owner filing a joint return may exempt up to a maximum of \$2,400 per beneficiary for Louisiana individual income tax purposes.

With respect to a carryforward, the Department of Revenue will review the specific START K12 account when determining the amount of the carryforward.

LA R.S. 17:3100.5(A)(1)(b), provides that:

“For tax years beginning on and after January 1, 2022, amounts that an account owner deposits into an education savings account shall be exempt from inclusion in the account owner's taxable income for the purposes of state individual income tax up to a maximum of one thousand two hundred dollars per beneficiary per taxable year for account owners filing single returns and up to a maximum of two thousand four hundred dollars per beneficiary per taxable year for account owners filing joint returns, as provided in La. Rev. Stat. Ann. § 47:293(9)(a)(xxv). If an account owner deposits less than the maximum one thousand two hundred dollars per year in an owned account and files a single return or if married account owners deposit less than the maximum of two thousand four hundred dollars per year in an account or accounts for a beneficiary and file a joint return, the difference between the total deposits and one thousand two hundred dollars or two thousand four hundred dollars, respectively, shall roll over to subsequent years and shall be exempt from inclusion in the account owner's taxable income for the purposes of state income tax in addition to the one thousand two hundred dollars or two thousand four hundred dollars in the year actually deposited, as provided in La. Rev. Stat. Ann. § 47:293(9)(a)(xxv).”

Since the statute states that the deposited amounts shall be exempt, an individual is not allowed to select the amount of the exemption. The amount of the exemption is the amount that is deposited in the START K12 account with a maximum of \$1,200 for single filers and \$2,400 for joint filers. The statute also indicates that a carryforward only exists if an individual deposits less than the maximum allowable exemption amount into the START K12 account.

If an individual deposits less than the maximum allowable exemption into a beneficiary's account, the difference between the total deposits and the maximum exemption shall be

carried forward to subsequent years. However, if an individual claims an exemption less than the amount contributed to the START K12 account, then the difference between the amount claimed and what was deposited cannot be carried forward to subsequent years.

If a taxpayer has an active START K12 account but fails to make a contribution in a tax year, the full amount that could have been contributed and exempted for that year will be carried forward to the following year.

**Limitations for Income Exemption Provision:**

A taxpayer's tax table income will not be reduced to zero due to contributions made to a START K12 account. Additionally, a taxpayer is prohibited from claiming other deductions for costs associated with the same dollars deposited into a START K12 account. For example, if an individual contributes \$1,200 to a START K12 account to be claimed on their 2022 return, the taxpayer cannot then claim the same \$1,200 on their return under the Elementary and Secondary School Tuition Deduction, Educational Expenses for Home-schooled Children Deduction or the Educational Expenses for a Quality Public Education Deduction when the funds are withdrawn to pay school expenses. Furthermore, taxpayers cannot claim the income exemption for amounts withdrawn from their START K12 account in the same tax year.

**Single or Married Filing Separately Example:**

If an individual filing a single tax return has two START K12 accounts and contributes \$900 to Account A and \$1,000 to Account B, there will be, in effect, two carryforwards, one for \$300 (i.e. \$1,200-\$900) for Account A and one for \$200 (i.e. \$1,200-\$1,000) for Account B. In order to fully utilize the carryforward during the next year, an individual filing a single tax return would have to contribute \$1,500 (i.e. \$1,200+\$300) to Account A and \$1,400 (i.e. \$1,200+\$200) to Account B.

**Married Filing Jointly Example:**

If the individual filing a joint return has two START K12 accounts and contributes \$900 to Account A and \$1,000 to Account B, two carryforwards would still exist, one for \$1,500 (i.e. \$2,400-\$900) for Account A and one for \$1,400 (i.e. \$2,400-\$1,000) for Account B. An individual filing a joint return would have to contribute \$3,900 (i.e. \$2,400+\$1,500) to Account A and \$3,800 (i.e. \$2,400+\$1,400) to Account B to fully utilize the carryforward in the following year.

For questions concerning a taxpayer's return, please contact the Customer Contact Center at (855) 307-3893. All other questions concerning this bulletin should be directed by e-mail to [Policy.Publications@La.gov](mailto:Policy.Publications@La.gov).

**Kevin J. Richard, CPA**  
**Secretary**