

**Revenue Information Bulletin
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Individual Income Tax**

Definition of Farmer for Purposes of Applying Underpayment Penalty

For purposes of applying the penalty provided in La. Rev. Stat. Ann. § 47:118 for failure by an individual to pay estimated income tax, a farmer will be defined as in Internal Revenue Code Sec. 6654(i)(2):

FARMER OR FISHERMAN DEFINED. – An individual is a farmer or fisherman for any taxable year if –

- (A) the individual's gross income from farming or fishing (including oyster farming) for the taxable year is at least $66 \frac{2}{3}$ percent of the total gross income from all sources for the taxable year, or
- (B) such individual's gross income from farming or fishing (including oyster farming) shown on the return of the individual for the preceding taxable year is at least $66 \frac{2}{3}$ percent of the total gross income from all sources shown on such return.

See the federal publication *Publication 225 – Farmers Tax Guide*. Guidance in determining the components of total gross income and gross income from farming and the calculation of the percentage is provided in the section Filing Requirements and Return Forms. The publication is available on line at www.irs.gov.