

**Revenue Information Bulletin**

**No. 15-018**

**June 29, 2015**

**Individual Income Tax**

**Act 109 of the 2015 Regular Session of the Louisiana Legislature**

**Requirements for Income Tax Credit for Taxes Paid to Other States**

Present law authorizes an individual income tax credit in an amount equal to income taxes which were paid for the same taxable period to another state on income which is subject to Louisiana tax. Beginning July 1, 2015, Act 109 of the 2015 Regular Session of the Louisiana Legislature enacts R.S. 47:33(A)(4) through (6) to add requirements and limitations for claiming the credit. The requirements and limitations apply to all returns filed on or after July 1, 2015, regardless of the taxable year for which the return is filed.

Effective July 1, 2015, resident individuals will be allowed a credit against individual income taxes imposed by and paid to another state on income which is subject to Louisiana tax only if the other state provides a similar credit for Louisiana income taxes paid on income derived from property located in, or from services rendered in, or from business transacted in this state. The credit is limited to the amount of Louisiana income tax that would have been imposed if the income earned in the other state had been earned in this state. The credit will not be allowed for income taxes paid to a state that allows a nonresident a credit against the income taxes imposed by that state for taxes paid or payable to the state of residence. However, these restrictions and limitations will not apply to an amended return filed on or after July 1, 2015 if the credit was properly claimed on an original return for any taxable year which was filed prior to July 1, 2015.

Only for taxable years beginning during calendar years 2017, 2018, and 2019, in any case where an original return is filed *after* July 1, 2015 and a valid filing extension was allowed prior to July 1, 2015, any portion of the tax credit that was disallowed on July 1, 2015 for a return filed on or after July 1, 2015 will be allowed a credit in the amount of one-third of the disallowed portion of the credit on the taxpayer's return for each of the taxable year beginning during calendar years 2017, 2018, and 2019.

The provisions of R.S. 47:33(A)(4) through (6) become effective on July 1, 2015 and will remain effective through June 30, 2018. On July 1, 2018, the provisions are repealed in their entirety, at which time the restrictions and limitations for claiming the credit become null, void, and of no effect.

**Tim Barfield**  
**Secretary**

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