



**LOUISIANA**  
DEPARTMENT *of* REVENUE

# 2021 Legislative Changes and 2021 Tax Changes

**Presented by:  
Policy Services  
Division**

**LDR/IRS LSBDC November  
Workshop**

**November 17, 2021**

# Informal Advice

**This communication constitutes “informal advice” from the Policy Services Division of the Louisiana Department of Revenue as contemplated by LAC 61:III.101 and is not binding on the Department of Revenue or the person seeking the advice.**

# Agenda


**2021 Income and Franchise Tax Changes**

**Excise/Severance/Miscellaneous Tax  
Changes**

**Sales Tax Changes**

**Other Items**

# 2021 Corporation Income & 2022 Franchise Tax

- **Address Change** – A new box has been added to indicate a new address. A direct address change can be accomplished by marking the “Address Change” box when filing your return, or can be submitted by accessing your account at [www.revenue.louisiana.gov/latap](http://www.revenue.louisiana.gov/latap).
- **Periods to be Covered** – A new box has been added to indicate a Fiscal Year return. For fiscal year and short period returns, boxes have been added to report the period begin and end dates using the format of MMDDYY.  

- **Layout** – We have redesigned the 3 pages of the return and the 3 pages for credits to add boxes for each individual digit. You will notice this on any paper return.

# 2021 Corporation Income & 2022 Franchise Tax

CIFT-620 (1/22) Page 1 of 3

**Louisiana Department of Revenue**  
 Post Office Box 91011  
 Baton Rouge, LA 70821-9011

Enter your LA Revenue Account Number here (Not FEIN):

For office use only

**Mark box if:**

- Name change.
- Address change.
- Amended return.
- Entity is not required to file franchise tax.
- Entity is not required to file income tax.
- First time filing of this form.
- Final return

LA Corporation Income Tax Return for 2021	LA Corporation Franchise Tax Return for 2022
<b>Mark box if:</b>	
Calendar Year filer <input type="checkbox"/>	
Fiscal Year filer (Enter dates below) <input type="checkbox"/>	
Short period return (Enter dates below) <input type="checkbox"/>	
Income (MM/DD/YY)	Franchise (MM/DD/YY)
Begun <input type="text"/>	Begun <input type="text"/>
Ended <input type="text"/>	Ended <input type="text"/>

A. Federal Employer Identification Number

B. Federal taxable income

C. Federal income tax

D. Income tax apportionment percentage  %

Computation of Income Tax - See instructions.	
1A. Louisiana net income before loss adjustments and income tax deduction	<input type="checkbox"/> <input type="text"/>
1B. Subchapter S corporation exclusion	<input type="checkbox"/> <input type="text"/>
Loss carryforward [\$ .00] less federal tax refund applicable to loss [\$ .00] Attach schedule.	<input type="text"/>
1C. Loss carryforward utilized	<input type="text"/>
1D. Federal income tax deduction	<input type="text"/>
1D1. Federal Disaster Relief Credits	<input type="text"/>

Legal Name

Trade Name

Mailing Address

Unit Type  Unit Number

City  State  ZIP

Foreign Nation, if not United States (do not abbreviate)

# 2021 Corporation Income & 2022 Franchise Tax

**Loss Carryforward Utilized – Line 1C1 –**  
Act 459 of the 2021 Regular Session amended R.S.  
47:287.86 to allow a net operating loss relating to  
tax periods beginning on or after January 1, 2001  
to be carried forward indefinitely.

# 2021 Corporation Income & 2022 Franchise Tax

**SCHEDULE L – CALCULATION OF FRANCHISE TAX - Line 3** - Act 389 of the 2021 Regular Legislative Session suspended the lower tier of the corporation franchise tax if Line 1 is equal to or less than \$1,000,000 for the 2022 CFT tax year. The taxable capital is the amount on CIFT 620, Schedule L, Line 1. (LA R.S. 47:601.1)

Schedule L – Calculation of Franchise Tax	
1. Enter the amount from CIFT-620, Line 5C or Line 6, whichever is greater. Short period filers mark this box <input type="checkbox"/> and see the instructions.	
2. Enter the amount of Line 1 or \$300,000, whichever is less.	
3. Multiply the amount on Line 2 by \$1.50 for each \$1,000 or major fraction and enter the result. See instructions for the suspension of the low-tier of the tax.	
4. Subtract Line 2 from Line 1 and enter the result.	
5. Multiply the amount on Line 4 by \$3.00 for each \$1,000 or major fraction and enter the result.	
6. Add Lines 3 and 5. Round to the nearest dollar. Enter the result here and on CIFT-620, Line 7.	

# 2021 Individual Income Tax

## **2021 LOUISIANA REFUNDABLE CHILD CARE CREDIT WORKSHEET**

- For 2021 only, the American Rescue Plan Act of 2021 made the federal credit substantially more generous. Since the Louisiana credit is a percentage of the federal credit, the federal changes are reflected in the calculation of the federal credit on the 2021 Louisiana Refundable Child Care Credit Worksheet. (LA R.S. 47:297.4)



# 2021 Individual Income Tax

## **SCHEDULE C – NONREFUNDABLE PRIORITY 1 CREDITS**

- **Small Town Health Professionals – Code 115** – This credit is no longer available because Act 342 of the 2017 Regular Legislative Session ended the credit effective December 31, 2020. (LA 47:297(H))



# 2021 Individual Income Tax

## **SCHEDULE D – DONATIONS**

- **Sexual Trauma Awareness and Response (STAR) - Line 18**  
– Taxpayers may donate all or part of their adjusted overpayment to the Sexual Trauma Awareness and Response (STAR) organization to support survivors of sexual trauma, improve systems response, and create social change to end sexual violence. For more information, visit [www.star.ngo](http://www.star.ngo). (Act 3 of the 2021 Regular Legislative Session)
- **Louisiana State University Agricultural Center Grant Walker Educational Center (4-H Camp Grant Walker) - Line 19**  
– Taxpayers may donate all or part of their adjusted overpayment to the Louisiana State University Agricultural Center Grant Walker Educational Center (4-H Camp Grant Walker) to provide quality field trips, off-season programs and other great educational products. For more information, visit [www.lsuagcenter.com/topics/kids\\_teens/events/camps/grant\\_walker](http://www.lsuagcenter.com/topics/kids_teens/events/camps/grant_walker). (Act 228 of the 2021 Regular Legislative Session)

# 2021 Individual Income Tax

## **Schedule E**

- **Act 185**
  - Exemption for military survivor benefit plan payments
    - Residents and nonresidents
    - Include amount as Federal retirement benefits on Schedule E using code 04E.

# 2021 Individual Income Tax

## **SCHEDULE F – REFUNDABLE PRIORITY 2 CREDITS**

- **School Readiness Child Care Directors and Staff – Code 66F and Line 5A** – The credit is for eligible child care directors and eligible child care staff based on certain attained qualifications. The amount of the credit is adjusted each year if there is an increase in the Consumer Price Index Urban (CPI-U). The credit amount for 2021 can be found at [www.revenue.louisiana.gov/SchoolReadiness](http://www.revenue.louisiana.gov/SchoolReadiness). You must enter the facility license number from Form R-10615 on Line 5A and attach a copy of Form R-10615 to your return. Failure to do so will result in processing delays. For more information regarding this credit, contact the Louisiana Department of Education. (LA R.S. 47:6106)

# 2021 Individual Income Tax

## **SCHEDULE J – NONREFUNDABLE PRIORITY 3 CREDITS**

- **Child Care Credit Carried Forward From 2016 through 2020 – Line 3** – The child care tax credit for taxpayers whose federal adjusted gross income exceeds \$25,000 may not be refunded, and any unused credit amounts can be used over the next five years. For the 2021 tax year, credits from 2016 through 2020 can be applied on Line 3. Any remaining child care credit from 2015 cannot be applied to the 2021 tax liability. (LA R.S. 47:297.4)
- **School Readiness Credit Carried Forward From 2016 through 2020 – Line 5** – The school readiness credit for taxpayers whose federal adjusted gross income exceeds \$25,000 may not be refunded, and any unused credit amounts can be used over the next five years. For the 2021 tax year, credits from 2016 through 2020 can be applied on Line 5. Any remaining child care credit from 2015 cannot be applied to the 2021 tax tax liability. (LA R.S. 47:6104)

# 2021 Individual Income Tax

## **IT—540B, Nonresident Return Changes**

- Form IT-540B-NRA, *Nonresident Professional Athlete Individual Income Tax Return*, has been discontinued.
  - All nonresident and part-year resident individuals must file Schedules NRPA-1 and NRPA-2 along with Form IT-540B electronically if he is a professional athlete who earned income as a result of services rendered within Louisiana and is required to file a federal individual income tax return.
- Additional information was added to the instructions concerning net operating losses for nonresidents. (LAC 61:I.1302)

# 2021 Individual Income Tax

## **Declaration of Estimated Tax**

- If you made declaration payments electronically, you will not receive printed version of IT-540ES.
- Next year, if you made declaration payments using voucher printed from 3<sup>rd</sup> party software, you will not receive printed version of IT-540ES.

# NONREFUNDABLE PRIORITY 1 CREDITS

## **Conversion of Vehicle to Alternative Fuel - Code 185**

- Act 385 of the 2021 Regular Session accelerated the sunset date for the credit for the purchase of a qualifying new vehicle or for vehicle conversions to alternative fuel usage to July 1, 2021. To qualify for the credit for the purchase of a qualifying new vehicle or for vehicle conversions, you must have purchased the new vehicle or for conversion, have purchased and installed, before July 1, 2021.
- The credit for the building of fueling stations sunsets January 1, 2022.
- Revenue Information Bulletin 21-016.
- LA R.S. 47:6035



# NONREFUNDABLE PRIORITY 3 CREDITS

- Due to numbering limitations, some credits have been assigned new codes on Schedule J and Schedule NRC-P3.

**IMPORTANT! Only these codes can be claimed on Lines 6 through 11.**

Description	Code
Organ Donation	202
Previously Unemployed	208
Owner of Accessible and Barrier-free Home	221
New Jobs Credit	224
Eligible Re-entrants	228
Apprenticeship	236
Biomed/University Research	300

Description	Code
Tax Equalization	305
Manufacturing Establishments	310
Other	399
Refunds by Utilities	412
Donation to School Tuition Organization	424
QMC Music Job Creation Credit	454
Neighborhood Assistance	457

Description	Code
Research and Development	458
Ports of Louisiana Import Export Cargo	459
LA Import	460
LA Work Opportunity	461
Youth Jobs	462
Inventory Tax Credit Carried Forward and ITEP	500
Ad Valorem Natural Gas Credit Carried Forward	502

Description	Code
Atchafalaya Trace	504
Cane River Heritage	506
Ports of Louisiana Investor	508
Enterprise Zone	510
Recycling Credit	550
Other	599

# NONREFUNDABLE PRIORITY 3 CREDITS

## **LA Import – Code 460**

- Act 292 of the 2021 Regular Legislative Session provides a credit against income taxes to encourage the utilization of Louisiana public port facilities for cargo imports and the development of new port infrastructure facilities for the manufacturing, distribution, and warehousing of imported goods.
- Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return.
- Unused amounts can be carried forward for 5 years.

# NONREFUNDABLE PRIORITY 3 CREDITS

## **LA Work Opportunity – Code 461**

- Act 453 of the 2021 Regular Legislative Session provides a credit against income tax or corporate franchise tax for a business that hires participants in the work release programs provided for in R.S. 15:711, 1111, 1199.9, and 1199.10.
- The Louisiana Department of Public Safety or applicable sheriff must certify that the eligible business employed an eligible re-entrant who is participating in a work release program on or after January 1, 2021 in an eligible job for 12 consecutive months.
- A copy of the certification of the credit must be attached to the return. Certification form will be published on LDR's website.
- Unused amounts can be carried forward for 5 years.
- Notice of Intent to promulgate rules forthcoming.

# NONREFUNDABLE PRIORITY 3 CREDITS

## **Youth Jobs – Code 462**

- Act 454 of the 2021 Regular Legislative Session provides a credit against income tax or corporate franchise tax for a business that hires one or more eligible youth on or after July 1, 2021. To earn the credit, the eligible youth must work at least three (3) consecutive months in a full-time or part-time position at the business.
- The credit is equal to \$1,250 for each eligible youth hired in a full-time position or \$750 for each eligible youth hired in a part-time position.
- Unused amounts can be carried forward for 5 years.
- Notice of Intent to promulgate rules forthcoming (LAC 61:1.1921)

# NONREFUNDABLE PRIORITY 3 CREDITS

## **Youth Jobs – Code 462 – Continued...**

- LDR limited to approving \$5 million in credits each calendar year.
  - Will count each approved eligible youth employed either part-time or full-time at a value of \$750 or \$1250, respectively, or if subject to proration, the pro rata value.
- Taxpayers must apply to the Department annually to receive certification.
  - The application period for calendar year 2021 begins on March 1, 2022 and concludes on April 30, 2022.
  - Thereafter, the application period begins on January 1 and concludes on February 28 of the subsequent calendar year.
  - First come, first serve
  - Application will be posted on our website and will include form for employee to complete.
  - Applications must be submitted by email. Approval will be returned by email.
  - A copy of the certification of the credit must be attached to the return.

# NONREFUNDABLE PRIORITY 3 CREDITS

- **Inventory Tax Credit Carried Forward and ITEP – Code 500** – If you have an eligible carryover amount, your carryover period has increased from five years to 10 years as provided by Act 50 of the 2020 Second Extraordinary Legislative Session.
- **Ad Valorem Natural Gas Credit Carried Forward – Code 502** – If you have an eligible carryover amount, your carryover period has increased from five years to 10 years as provided by Act 50 of the 2020 Second Extraordinary Legislative Session.

# Income Tax Exemption on COVID-19 Benefits

## Act 54

# COVID-19 Benefits Exemption

- **Requirements**
  - Benefit must be included in federal income
  - Benefit must be gratuitous in nature
    - Grant, loan, rebate, tax credit, advance refund, other
  - Includes benefits from CARES Act, ARP, LA Main Street Recovery Program, and other federal or state COVID-19 relief measures
- **Applies to**
  - Corporations
  - Individuals
    - Does not apply to unemployment insurance income



**AMERICAN RESCUE PLAN  
ACT OF 2021**



# Claiming the Exemption

- **RIB 21-019**
  - **If original 2020 state tax return already filed, amended return required**

<b>Taxpayer Type</b>	<b>Exemption Claimed on:</b>
Corporations	CIFT 620, Schedule F, Line 3j
Individuals – Residents	IT-540, Schedule E, Code 27E
Individuals – NR and PY	IT -540B, NPR Worksheet, Code 27E
Partnership with corporate partners	IT-565, Schedule Q, Line 3f
Entities with PTE Election	CIFT 620, Schedule F, Line 3j
Flow-through Entities	Must report exempt amount to owners on K-1 or letterhead

# Partnership Return (IT-565) Changes

- Act 287 of the 2021 Regular Session
- **Return is due May 15th for calendar year filers.** (LA R.S. 47:103(A)(2)(a))
  - **Returns for fiscal year filers is due the 15th day of the fifth month following the close of the period.**
- **ALL** partnerships doing business in Louisiana or deriving any income from sources therein, must file a Partnership Return of Income. (LA R.S. 47:201(A))
  - Form R-6922, Composite Partnership Return, has been added to the IT-565, Partnership Return of Income as Schedule R-6922.
  - The partnership return has been redesigned to eliminate duplicative information and for ease of capturing the data.

# Partnership Return (IT-565) Changes

- **All partnerships needs to register for a Partnership Income Account.**
  - **2 letters will be sent out:**
    1. Those registered for Composite Partnership will be informed that the account type is being changed to “Partnership Income” and of the new requirements and return changes. When issued, this letter can be seen in LaTAP letters manager.
    2. Those who have filed IT-565 electronically. The letter will be sent at beginning of 2022 and explain how to register for an account and the new filing requirements.

# Partnership Return (IT-565) Changes

- The registration process available end of January 2022
- If the partnership does not currently have an account number with the Department,
  - go to <https://latap.revenue.louisiana.gov/>,
  - select “register my business” and under Registration Selection,
  - select “Register My New Business”.
- If the partnership already has a Louisiana Department of Revenue business account, you will need to add an account for partnership.
  - To do so, go to <https://latap.revenue.louisiana.gov/>,
  - select “register my business” and under Registration Selection,
  - select “Add New Tax Accounts To My Existing Business”.
- The Partnership account is not available in LaTAP so you will not need to create a separate LaTAP account.

# Partnership Return (IT-565) Changes



 Search our online services



## Individuals

View my refund status and verify my identity.

- > Check My Refund Status
- > Verify My Identity



## Registration

Register an entity with the Louisiana Department of Revenue.

- > Register My Business 
- > Register as a Tax Preparer
- > Register My Agency to Participate in LaTOGA



## Commercial Farmer

File for a Commercial Farmer Certificate or re-print my Commercial Farmer Certificate.

- > Apply for a Commercial Farmer Certificate
- > Re-print My Commercial Farmer Certificate



# Partnership Return (IT-565) Changes

< Home

## Registration

### Account Registration



Instructions

## Online Business Registration

### Important Information

- Legal name, location, and mailing address of your business
- Federal Identification Number (FEIN) [Click here to apply for an FEIN](#)
- Charter Number (Required if you are a Louisiana corporation)
- Louisiana tax account number (If you are already registered)
- Name, SSN, and address of owners, partners, or officers
- Email address to send application confirmations to

### Upon Completion

- You will receive a message confirming the Department of Revenue has received and is reviewing your application
- You will receive a confirmation email containing the Louisiana Revenue Account Number you will use once your application is processed
- If you have not provided a valid email address, your Louisiana Revenue Account Number will be mailed to you within 4-6 weeks.

### Assistance

- **If you do not meet all** of the criteria above, please click cancel and return once you have the information to complete the application.
- You will **NOT** be able to save the application to finish later.
- If you have any difficulties completing the application refer to the LaTAP FAQ's on the LDR website or contact the Customer Service Division at **(855) 307-3893 option #3**.

### Registration Selection

Are you registering a new business or adding an account to your existing business? \*

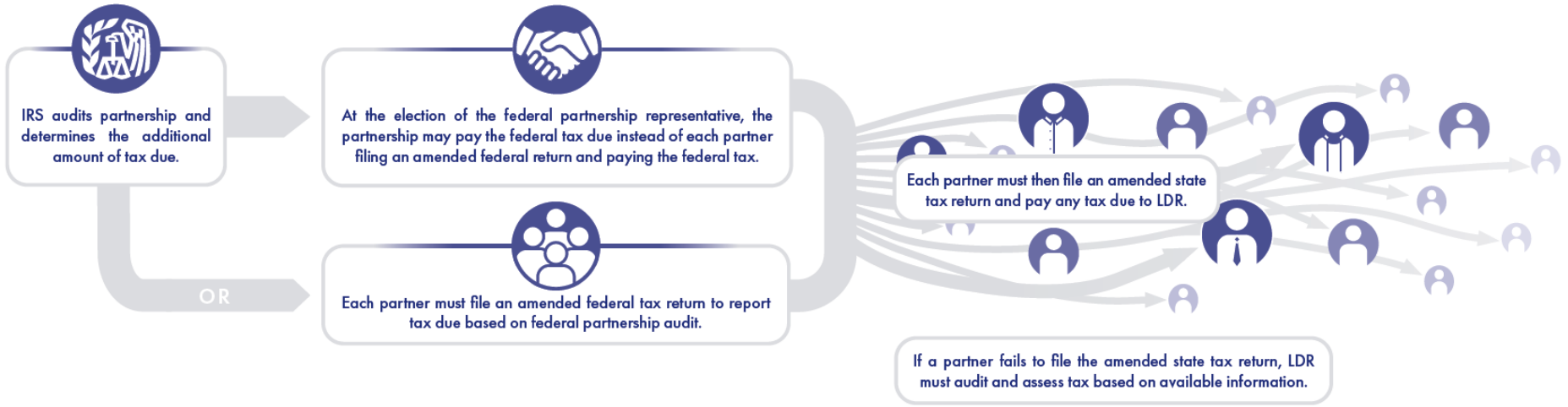
Register My New Business

Add New Tax Accounts To My Existing Business

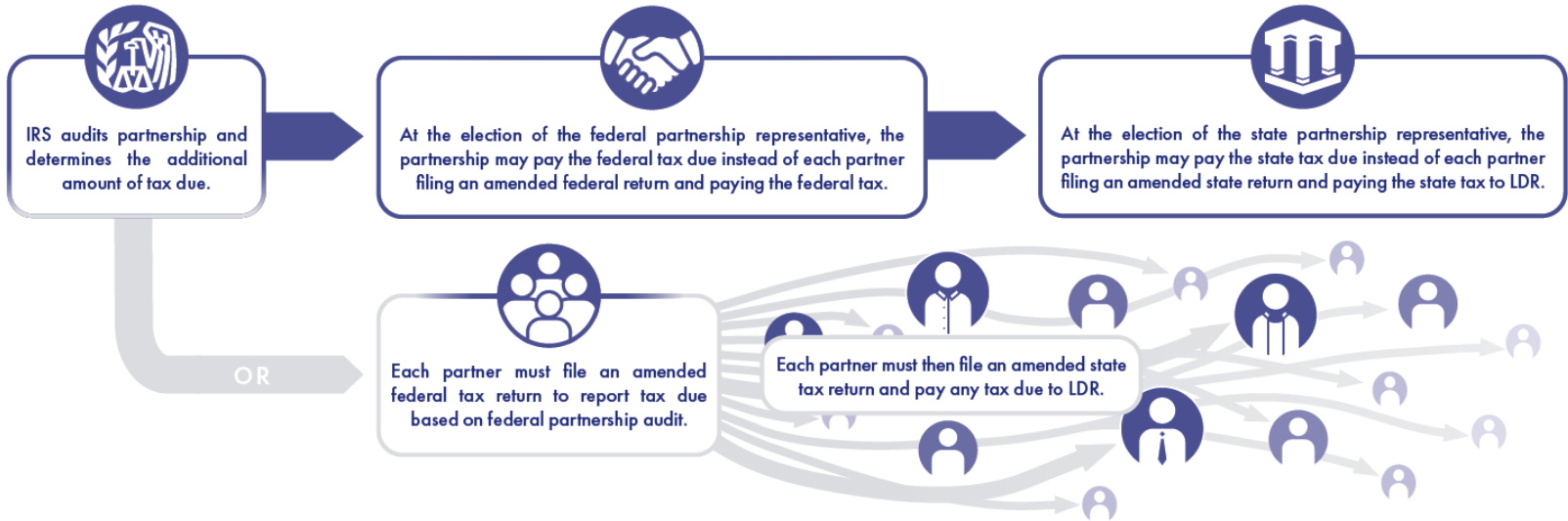
# Partnership Audit Changes

- Act 287 conformed Louisiana partnership audit rules to the federal partnership audit rules
  - Voluntary election to pay audit liability at the partnership level
    - Removes the burden on partners to file amended returns
    - Removes the burden on government to assess each partner separately if no amended return filed or resulting tax voluntarily paid
  - State Partnership Representative
    - Represents partnership throughout audit process

PREVIOUS PROCESS



CURRENT PROCESS





# Estimated Tax Payments During the Course of a Federal Audit

- **Federal audit requirement**
  - Taxpayer may voluntarily make an estimated tax payment to LDR for the anticipated additional state tax liability resulting from an ongoing federal audit
    - If ETP is greater than actual state liability, excess ETP is refunded to taxpayer without interest
  - Reduces penalties and interest
  
- **Applies to**
  - Corporations
  - Partnerships

# TRANSFERABLE CREDITS

- The department no longer requires a completed Credit Utilization Form (R-6140, Section 2) when claiming a transferable credit.
- You must attach a copy of the Credit Registration Form (R-6135) to the return and list the State Certification Number in the appropriate space on the return.

# Pass-through Entity Tax Election

- **Individual Income tax exclusion from income on Schedule E (R.S. 47:297.14) is only for an individual who is a shareholder, member, or partner of an entity that made the election under R.S. 47:287.732.2.**
- **Form R-6981, Louisiana Statement of Owner's Share of Entity Level Tax Items has been revised for 2021.**

# 2020 Hurricanes Disaster Relief

Act 26 (2ES2020)  
Act 296

# Federal Disaster Relief for Louisiana

- **IRC Section 165 allows disaster losses as an itemized deduction**
  - **Hurricanes Laura, Delta, and Zeta qualify**
  - **10% floor does not apply, but must exceed \$500**
- **Taxpayer Certainty & Disaster Tax Relief Act**
  - **Provides option for taxpayers to increase their standard deduction by the amount of the disaster loss**

# Effect of Federal Disaster Relief

- The federal relief provisions result in a lower federal income tax liability allowing for a federal refund.
- For Louisiana, as federal income tax decreases, Louisiana income tax increases automatically.

# Louisiana Disaster Relief

- **Changes calculation of “federal income tax liability”**
  - LA FIT deduction = FIT before disaster losses
  - Similar to 2016 floods relief
- **Act 26 (2ES2020)**
  - Adds Hurricanes Laura and Delta
  - Provides for itemized deductions only
- **Act 296 (RS2021)**
  - Adds Hurricane Zeta
  - Includes increased standard deduction

# Four Scenarios

Scenario No.	Original or Amended Federal Return Prior to Claiming the Loss	Amended Federal Return to Claim the Loss or 2020 Federal Return Claiming Loss
1	Taxpayer claims standard deduction.	Taxpayer claims increased standard deduction for net disaster losses.
2	Taxpayer claims standard deduction.	Taxpayer claims itemized deductions which include net disaster losses.
3	Taxpayer claims itemized deductions.	Taxpayer claims itemized deductions which include net disaster loss.
4	Taxpayer claims itemized deductions.	Taxpayer claims increased standard deduction for net disaster losses and no itemized deductions.

- Depends on each taxpayer's facts and circumstances
  - Practitioner should pro forma each scenario to determine combined federal and state tax liability
- A taxpayer cannot deduct the EID (federal itemized deductions less federal standard deduction) if the taxpayer does not itemize.



# CIT

## Net Operating Losses

# CIT Deduction for NOLs

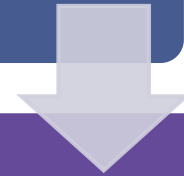
## Act 103 (RS2015)

- Repealed 3 year carryback rule
- Extended carryforward from 15 to 20 years



## Act 123 (RS2015)

- Temporarily reduced NOL deduction from 100% to 72%



## Act 24 (1ES2016)

- Changed NOL utilization from FIFO to LIFO



## Act 6 (1ES2016)

- Permanently reduced NOL deduction from 100% to 72%
- Limited NOL to 72% of net income

# CIT Deduction for NOLs

## Act 2 (2ES2016)

-Clarified that limitations do not apply to amended returns filed after 7/1/15 if original return was filed before 7/1/15

## Act 304 (RS2019)

-Changed NOL utilization from LIFO back to FIFO

## Act 459 (RS2021)

-Removed the 20 year carryforward limitation

- **Decoupled from Federal Rules**

- For corporation income tax, the NOL deduction is calculated in accordance with LA R.S. 47:287.86
- Federal and Louisiana NOLs must be tracked separately for tax purposes

Type of Return	Paper Extension or Electronic Filing	Due date for Filing
Individual	<p>Individuals may request extension by submitting Form R-2868, a paper copy of the taxpayer's IRS form requesting an extension to file a federal income tax return, electronically at <a href="http://www.revenue.louisiana.gov/fileonline">www.revenue.louisiana.gov/fileonline</a> or <a href="http://www.revenue.louisiana.gov/extensions">www.revenue.louisiana.gov/extensions</a>; calling LDR's IVR phone system, or electronically by software.</p> <p>LAC 61:III.2501 - requires the electronic filing of a request for an extension to file an individual income tax return by tax preparer subject to the electronic filing mandate under LAC 61:III.1501.B.</p>	5/15/2022
Corporation	<p>Must be submitted electronically by software or electronically at: <a href="https://esweb.revenue.louisiana.gov/OnlineTaxExtensions/CorporateTaxExtension.aspx">https://esweb.revenue.louisiana.gov/OnlineTaxExtensions/CorporateTaxExtension.aspx</a></p>	5/15/2022
S Corporation	<p>Must be submitted electronically by software or electronically at: <a href="https://esweb.revenue.louisiana.gov/OnlineTaxExtensions/CorporateTaxExtension.aspx">https://esweb.revenue.louisiana.gov/OnlineTaxExtensions/CorporateTaxExtension.aspx</a></p>	5/15/2022
Partnership	<p>If an extension of time has been filed for the Federal return, you do not need to apply for a separate extension for Louisiana return. LDR will recognize and accept the Federal extension. A copy of the Federal extension should be attached to the Louisiana return. If you do not have a Federal extension, paper form R-6463(1/18) should be filed with LDR with the return.</p>	5/15/2022
Composite Partnership	<p>Must be submitted electronically by software or electronically at: <a href="https://esweb.revenue.louisiana.gov/OnlineTaxExtensions/CompositePartnershipTaxExtension.aspx">https://esweb.revenue.louisiana.gov/OnlineTaxExtensions/CompositePartnershipTaxExtension.aspx</a></p>	5/15/2022
Fiduciary	<p>Must be submitted electronically by software or electronically on LATAP.</p>	5/15/2022

# Electronic Filing Mandates

- ▶ LAC 61:1.1515- Withholding Tax Statements and Return
  - ▶ Employers filing 50 or more Form W-2s is required to file Form W-2s and any information returns electronically.
  - ▶ Employers filing 50 or more Form 1099-NEC is required to file Form 1099-NEC and any information returns electronically. (Emergency Rule to be issued.)
  
- ▶ LAC 61:1.1503- Corporation Franchise Tax Returns and LAC 61:1.1505- Corporation Income Tax Returns
  - ▶ Must file electronically, if total assets which have an absolute value equal to or greater than \$250,000
    - ▶ Total assets as reported on Line F of CIFT 620

# Electronic Filing Mandates

- ▶ LAC 61:1.1507- Partnership Returns
  - ▶ Must file electronically if total assets which have an absolute value equal to or greater than \$250,000
    - ▶ Total assets as reported on Line F of IT-565
- ▶ LAC 61:1.1509- Fiduciary Income Tax Returns
  - ▶ Must file electronically if return is filed with 1 or more Schedules K-1 attached

# Withholding

# Withholding on Winnings from Sports Wagering and Fantasy Sports Contest

- **Emergency Rule was issued on 10/8/2021, requiring withholding on winnings from sports wagering and fantasy sports contest at the highest PIT rate (6%) if required to withhold for federal purposes. (LAC 61:I.1525)**



# Form 1099 Filing Requirements

Statute: R.S. 47:114.1

Act 285 of 2021 Regular Session

Service recipients who are required to file IRS Form 1099-NEC for payments made to a service provider as compensation for services provided in Louisiana are required to file a copy with LDR

- Requirement is effective January 1, 2022.
- Forms are required to be submitted with the L-3 (R-1203) by February 28<sup>th</sup> of each year for payments made during the preceding calendar year.
  - IRS Forms 1099-NEC filed for payments made during calendar year 2021 must be filed by February 28, 2022
- Reports can be filed through LaWage OR 3rd party software.

# Louisiana Voluntary Disclosure Program (Act 297)

- Provides for businesses to report and pay previously undisclosed liabilities for withholding and unemployment tax
  - Application process is anonymous
  - Lookback period is the current calendar year up to date of registration and the immediate preceding year
  - Tax and interest must be paid, but upon full payment in accordance with the agreement, penalties are waived

# Audit Safe Harbor (Act 297)

- Putative employers are exempt from withholding and unemployment tax liability if all of the following criteria are met:
  1. Reporting consistency
    - Business filed all 1099s
  2. Substantive consistency
    - Business always treated the worker as an independent contractor
  3. Reasonable basis
    - Reliance on court case or IRS ruling, previous audit with no reclassification, independent contractor treatment is common in the business's industry, reliance on legal or accountant's advice

# Fresh Start Proper Worker Classification Initiative (Act 297)

- Voluntary reclassification program available from **January 1, 2022 to December 31, 2022**
  - Business must have consistently treated workers as independent contractors for the last 3 years and filed Forms 1099 with the IRS
  - Business files application with LDR and reclassification applies for withholding tax (LDR) and unemployment tax (LWC)
- **Prospective treatment only**
  - Applies going forward only and waives any liability for previous tax periods
- **\*\*Louisiana Workforce Commission issued an Emergency Rule on September 9, 2021 delaying the implementation of these programs.\*\***

# Future Income Tax Changes

# Act 52 of 2021 Regular Legislative Session

- Individual Income Tax
- Effective for 2022 tax year
- Excludes amounts deposited into certain education savings accounts for tuition expenses for K-12 up to \$1200/\$2400.
  - Funds can't be withdrawn in same year.
  - Amounts excluded cannot also qualify for the 3 education deductions.
  - Add back of amounts not used

# Act 161 of 2021 Regular Legislative Session

- Individual Income Tax
- Effective for 2022 tax year
- Military pay exclusion increased to \$50,000.
  - (Code 10E on Schedule E)

# Act 383 of 2021 Regular Legislative Session

- **Individual Income Tax and Withholding**
- **Effective for 2022 tax year**
- **Mobile Workforce Exemption**
  - Exempt as long as employee works 25 days or less in LA
  - Employer is exempt from withholding income taxes from employee pay
  - Only for nonresidents & can not have any other income derived from LA sources.
  - Excludes professional athlete, staff member of a professional athletic team, professional entertainer, public figure, or qualified production employee.



# Act 387 of 2021 Regular Legislative Session

- Individual Income Tax
- Effective for 2022 tax year
- Exemption for digital nomads.
  - Residents only
  - Tax exemption of 50% of the gross wages of a resident digital nomad with a max exemption of \$150,000
  - Good only for tax years 2022, 2023, 2024 and 2025
  - Capped at 500 individuals in total; LDR certifies

# Act 467 of 2021 Regular Legislative Session

- **Individual Income Tax**
- **Effective for 2022 tax year**
- **Credit an individual who delivers a stillborn child.**
- **Refundable credit of \$2,000 taken in year of delivery.**

# Act 470 of 2021 Regular Legislative Session

- **Individual Income Tax or Fiduciary Income Tax**
- **Effective for 2022 tax year**
  
- **Income tax credit for certain funeral and burial expenses for certain pregnancy-related deaths**
- **Credit = funeral expenses paid or \$5,000 whichever is less.**
- **Refundable credit**

# Act 454 of 2021 Regular Legislative Session

- **Income Taxes and Franchise Tax**
- **Effective for 2022 tax year**
  
- **Apprenticeship credit**
  - **Nonrefundable, Carry forward of 5 years**
  - **Total Credit capped at \$2.5M**

# Act 378 of 2021 Regular Legislative Session

- Individual Income Tax
- Effective for 2022 tax year
- Deduction for adopting a child or youth from foster care
  - Residents only
  - Deduction = \$5,000
  - Taken for year adoption is final
  - Deduction is in lieu of dependency deduction of \$1,000.

# Act 378 of 2021 Regular Legislative Session

- Individual Income Tax
- Effective for 2022 tax year
- Deduction for the private adoption of certain infants
  - Residents only
  - Deduction = \$5,000
  - Taken for year adoption is final
  - Deduction is in lieu of dependency deduction of \$1,000.

# Act 378 of 2021 Regular Legislative Session

- **Income Taxes**
- **Effective for 2022 tax year**
- **Credit for donation to qualifying foster care charitable organizations**
  - **Nonrefundable, Carry forward of 5 years**
  - **Credit = to the amount of donation used or \$50,000, whichever is less.**
  - **Credit granted capped at \$500,000 per calendar year**
  - **No double state benefit**
  - **LDR certifies the organizations**

# Constitutional Amendment #2

Amendment was approved by voters on November 13, 2021

- **Act 134- Constitutional amendment for**
  - PIT max rate of 4.75%
  - FIT deduction for income taxes is permissible by law.
- **Act 395**
  - Effective for the 2022 tax year
  - Reduces PIT & FID rates from 2%, 4% & 6% to 1.85%, 3.5% and 4.25%.
  - Repeals FIT deduction for PIT & FID
  - Excessive itemized deductions limited to medical expense
  - Sets a trigger for further rate reductions



# Constitutional Amendment #2 cont.....

- **Act 396**

- Effective for CIT period beginning on or after January 1, 2022.
- CIT tax rates reduced from 4%, 5%, 6%, 7%, & 8% to
  - 3.5% on 1<sup>st</sup> \$50,000
  - 5.5% on \$50,001 - \$150,000
  - 7.5% on >\$150,000
- Repeals FIT deduction

- **Act 389**

- Effective for CFT period beginning on or after January 1, 2023.
- CFT tax rate reduced to \$2.75 for each \$1,000, or major fraction thereof, over \$300k.
- Sets a trigger for further rate reductions
- Continues suspension of 1 tier of CFT (\$1.50) through CFT FYE 11/2023

## Constitutional Amendment #2 cont.....

- **Instructions for Declaration vouchers for 2022 will reflect the new rates**
  - **IT-540ESi posted on our website will have a worksheet to calculate the tax.**
- **Withholding Tables**
  - **Emergency Rule will be issued for new tables**
- **Tax Tables will be revised in the Spring along with other changes needed to our regulations.**
- **Website will be updated**

# Sales Tax

# Revenue Information Bulletin 21-028

## Changes to Sales Tax Filing and Payment Requirements for Consolidated Filers

- The Hurricane and Storm Damage Risk Reduction System Repayment Fund created by Act 448 of 2021 Regular Session will dedicate the state sales taxes collected in the parishes of St. Charles, Jefferson, Plaquemines, St. Bernard, and Orleans parish to reimburse the U.S. Army Corp of Engineers for the costs of the Hurricane and Storm Damage Risk Reduction System (i.e. levees)
- This will require the LDR to track sales tax collections on a parish by parish basis, necessitating electronic filing and payment for consolidated filers.
- Beginning with the December 2021 sales tax return consolidated filers will be required to electronically file the state sales tax returns and electronically remit payments. Consolidated filers are those taxpayers approved by LDR to report sales from multiple locations on one consolidated return.
- Beginning with the December 2021 sales tax period, consolidated filers are required to file returns and remit taxes electronically, as well as complete a new Schedule 1029B – Consolidated Filers only. Schedule B requires an itemization of all business locations reporting sales and use tax on the consolidated return.
- Revenue Information Bulletin No. 21-028 has been issued to provide taxpayers with additional guidance

# Exemption for the Lease or Rental by Short Term Equipment Rental Dealer for the Purpose of Re-lease or Re-rental

## Act 7 of 2021 Regular Session

- Provides a state and local sales and use tax exclusion for the lease or rental of any item of tangible personal property by a short-term equipment rental dealer for the purpose of re-lease or re-rental, effective October 1, 2021.
- A short-term equipment rental dealer is a person or entity whose principal business is the short-term rental of tangible personal property. The dealer must have a NAICS code of 532412 (Construction, Mining, and Forestry and Equipment Rental & Leasing) or 532310 (General Rental Centers).
- A short-term rental is the rental of an item of tangible personal property for a period of less than 365 days, for an undefined period, or under an open-ended agreement.
- Form R-85005, *Short-term Equipment Dealer Lease or Rental for the Purpose of Re-lease or Re-rental* has been created and is available on the Department's website.
- This transaction is reported using exemption code 1123 on Schedule A-1 of the R-1029 State Sales Tax Return.

# Exemption for Purchases of Utilities Used by Commercial Farmers for On-farm Storage

## Act 53 of 2021 Regular Session

- Provides an exemption from state sales and use tax for utilities used by commercial farmers for on-farm storage, effective October 1, 2021.
- A commercial farmer is a person who produces food or agricultural commodities for sale and files their farm income and expenses on a federal Schedule F or similar federal tax form, including 1065, 1120, and 1120S, filed by a person assigned a North American Industry Classification System (NAICS) Code beginning with 11.
- On-farm storage means facilities or containers located in Louisiana that are separately metered for utilities and that contain raw agricultural commodities, including but not limited to feed, seed, and fertilizer, to be utilized in preparing, finishing, manufacturing, or producing crops or animals prior to the first point of sale.
- Utilities means steam, water, electric power or energy, natural gas, or energy sources as provided for in LA R.S. 47:305.
- Form R-80001, *Purchases of Utilities for On-Farm Storage Facilities* has been created and is available on the Department's website. In order for this form to be valid, a copy of the Form R-1091, *Commercial Farmer Certification*, must be attached to the completed exemption certificate.
- This sale must be reported on Schedule A-1 of the R-1029 Sales Tax Return using Code 5110.

# Exemption for Purchases of Certain School Buses

## Act 166 of 2021 Regular Session

- Provides an exemption from state and local sales and use tax for purchases of certain school buses.
- Act 166 provides that the purchase of a new or used school bus that is less than five years old when the bus is to be used exclusively for public elementary or secondary schools, public elementary or secondary laboratory schools that are operated by a public college or university, or nonpublic elementary or secondary schools approved by the State Board of Elementary and Secondary Education (the Board).
- A school bus includes only a bus that meets or exceeds the safety specifications for school buses established by the Louisiana Department of Education, is painted national school bus chrome in the shade designated by the Board, and is purchased from a licensed dealer.
- Form R-85004, *Purchases of School Buses for Exclusive Use*, has been created and is available on the Department's website.
- Effective July 1, 2021

# Exemptions for Construction Materials for Specified Non-profits and Animal Shelters

## Act 299 of 2021 Regular Session

- Revives an exemption for state sales and use tax on construction materials purchased for new residential construction by Habitat for Humanity affiliates, Fuller Center for Housing covenant partners or the Make It Right Foundation. This sales tax exemption is reported on Schedule A-1 of the R-1029 Louisiana Sales Tax Return using Code 5092.
- Also enacts R.S. 47:305.59(B) to exempt construction materials of new animal shelters if construction begins between July 1, 2021 and June 30, 2025 and certain other requirements are met such as registry of the shelter, etc.
- This sales tax exemption is reported on Schedule A-1 of the R-1029 Louisiana Sales Tax Return using Code 5092.
- Effective Date: October 1, 2021.



# Excise/Severance/ Miscellaneous Taxes

# Consumable Hemp Product Tax

## formerly Industrial Hemp-Derived CBD Tax

- Act 336 of 2021 Regular Session
- Effective: August 1, 2021
- Changed name from Industrial hemp-derived CBD Tax to Consumable Hemp Product Tax
- Expanded the tax to apply to “any product derived from industrial hemp that contains any cannabinoid, including cannabidiol [CBD], and is intended for consumption or topical use”. This includes commercial feed, pet products and hemp floral material.
- Allows the processing of hemp for inhalation but the prohibition on the sale of inhalation products is still in place.
- Removed the prohibition on the processing or selling of food and beverage products containing CBD, except that alcoholic beverages containing CBD are still prohibited.
- LDR electronic filing and payment mandate updated to reflect changes to the name of the tax. LAC 61:III.1535-1536

# Orphan Well Rework Program

Statutes: R.S. 47:633(7)(c)(iv)(cc)

Act 391 of 2021 Regular Session

- ▶ Provides a severance tax exemption for oil produced from an oil well that:
  - ▶ Was previously designated as orphaned by DNR;
  - ▶ Has had no production for at least 12 months;
  - ▶ Has undergone or is undergoing enhancements that require a DNR permit (cannot just put back into production); and
  - ▶ Production must commence between October 1, 2021 and June 30, 2031

Operators must apply for certification through DNR

# Orphan Well Rework Program (cont.)

If certified:

- ▶ The operator pays nothing for the first 3 months of production
  - ▶ This production is reported on the Forms O-1D, O-1S and O-5 using the appropriate code(s) for the Orphan Well Rework Program.
  
- ▶ Thereafter, the operator pays the amount that *would* be due in tax to the LDR for credit to that well's site-specific trust account (SSTA) which is governed by R.S. 30:88.2
  - ▶ This production is reported on NEW Forms OR-1D and OR-1S through the LDR's Severance Web Application
  - ▶ Any other applicable forms , such as Forms O-5, O-2, and O-3 should also be filed as appropriate.
  - ▶ The due dates, interest and penalties are the same as those for severance tax.

# Alcohol

Statutes: LA R.S. 26:2(16), (32) and (33), 71(A)(3)(e) and (A)(3)(f), 71.4, 142, and 287(B)

Act 380 of 2021 Regular Session

- ▶ Amends the definition of “manufacturer” to provide that a wine producer is considered a manufacturer for purposes of providing a bond and payment and reporting of alcohol tax
- ▶ Defines “microvintner” as any person who operates a microwinery.
- ▶ Defines a “microwinery” as a retail outlet where a microvintner imports the juices of grapes, fruits, berries, honey, or vegetables for the purpose of fermenting such juices to produce and bottle wine in Louisiana in quantities of not more than twelve thousand gallons per year for retail sale only at that location where the wine vinification takes place for consumption on or off the licensed premises in accordance with the provisions of this Chapter and regulations, if any, promulgated by the commissioner.

# Alcohol

- ▶ Authorizes the Office of Alcohol and Tobacco Control to issue a microwinery permit, which allows a microwinery to import the juices of grapes, fruits, berries, honey, or vegetables to produce and bottle wine in Louisiana at a single location not to exceed 12,500 gallons a year.
- ▶ The permit allows the sale at retail of the wine produced at the location where the vinification takes place for consumption on or off the licensed premises if the holder possesses a Retailer Class A permit.
- ▶ The microwinery cannot sell the wine at wholesale or to any wholesale dealer.
- ▶ The microwinery cannot sell any wine for transportation off the premises to any other licensed alcoholic beverage retail dealer.

# Alcohol

- ▶ Wine produced by a microwinery is taxed in the same manner and at the same rate as beverages produced by other manufacturers.
- ▶ Amends R.S. 26:287(B) to allow the Office of Alcohol and Tobacco Control to revoke or suspend a license for failure to pay withholding taxes, Louisiana Stadium and Exposition District hotel occupancy taxes, Ernest N. Morial New Orleans Exhibition Hall Authority taxes, or taxes due to the state for the sale of beverages of high alcoholic content, beverages of low alcoholic content, or tobacco.

# Tobacco

Statutes: LA R.S. 14:91.6(A) and 91.8(C), (D), (E), and (F)(1) and (2), R.S. 26:793(C)(1), 901.1, 910, 910.1(A), 911(A)(1), and 917(A), and R.S. 47:851(C)(2)

## Act 403 of 2021 Regular Session

- ▶ Raises the minimum age for purchasing tobacco products from 18 to 21 years.
- ▶ Prohibits the distribution of promotional samples of any tobacco product, alternative nicotine product, or vapor product to persons under the age of 21.
- ▶ Requires that signs at points of sale and on vending machines for tobacco products be updated to reflect the minimum age change.
- ▶ The Office of Alcohol and Tobacco Control can enlist persons between the ages of 16 and 21 to test compliance if the testing is under the direct supervision of employees of the Office of Alcohol and Tobacco Control and requires written parental consent.



# Prevent All Cigarette Trafficking (PACT) Act Reporting Requirements

Statutes: 15 USC 375, 376, 376a, 377 and 378

On June 29, 2010, the Prevent All Cigarette Trafficking Act (PACT Act) went into effect. This federal law amends the Jenkins Act, 15 U.S.C. Chapter 10A, which governs the collection of taxes on, and trafficking in, cigarettes and smokeless tobacco. The PACT Act revised definitions in the Jenkins Act, provided new requirements for registration, reporting, recordkeeping, and increased penalties for criminal violations. The PACT Act also generally prohibits mailing cigarettes and smokeless tobacco through the U.S. Postal Service.

On December 27, 2020, the PACT Act was amended to include electronic nicotine delivery systems or "ENDS". This change became effective March 27, 2021.

# PACT Act Reporting Requirements

What tobacco products are covered under the PACT Act?

- ▶ Cigarettes and smokeless tobacco.
- ▶ Cigarettes include:
  - ▶ Any roll of tobacco wrapped in paper or in any substance not containing tobacco.
  - ▶ Any roll of tobacco wrapped in any substance containing tobacco which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling is likely to be offered to, or purchased by, consumers as a cigarette as described in the bullet above.
  - ▶ Roll-your-own tobacco, and
  - ▶ an Electronic Nicotine Delivery System.
- ▶ Smokeless tobacco includes:
  - ▶ Tobacco products that are non-combustible (primarily various forms of chewing tobacco, snuff, snus, etc.)

# PACT Act Reporting Requirements

What are ENDS?

- ▶ ENDS are defined as any electronic device that delivers nicotine, flavor, or any other substance to the user inhaling from the device. ENDS include:
  - ▶ An eCigarette, eHookah, eCigar, vape pen, advanced refillable personal vaporizer, electronic pipe; and
  - ▶ Any component, liquid, part, or accessory of an ENDS device, without regard to whether the component, liquid, part, or accessory is sold separately from the device.
- ▶ Who must register and file a report?
  - ▶ Anyone who advertises, offers for sale, sells, transfers, or ships (for profit) cigarettes in interstate commerce. These cigarettes must be shipped into another state, locality, or Indian nation that taxes the sale or use of cigarettes.
  - ▶ Anyone who advertises, offers for sale, sells, transfers or ships (for profit) roll-your-own and/or smokeless tobacco in interstate commerce. The roll-your-own and/or smokeless tobacco must be shipped into another state, locality, or Indian nation that taxes the sale or use of roll-your-own and/or smokeless tobacco.

# PACT Act Reporting Requirements

## ▶ Registration Process

- ▶ You must register with the Department of Revenue, Office of Alcohol and Tobacco Control and Attorney General's Office.
- ▶ The ATF PACT Act Registration Form must be submitted to the Department of Revenue and the Attorney General's Office.
- ▶ The ATF PACT Act Registration Form can be accessed at the following address:  
<https://www.atf.gov/alcohol-tobacco/prevent-all-cigarette-trafficking-act-pact-2009>
- ▶ The registration form must be submitted to [Tobacco.Excise@la.gov](mailto:Tobacco.Excise@la.gov) and [TobaccoDOJ@ag.louisiana.gov](mailto:TobaccoDOJ@ag.louisiana.gov)

# PACT Act Reporting Requirements

## ▶ Reports

- ▶ The report is due no later than the 10th day of the month following the end of the reporting period. The monthly report must contain detailed information about each shipment. Form PA-1 and Form PA-2 must be submitted. These forms are maintained by the Federation of Tax Administrators and can be accessed at the following address:

[https://www.taxadmin.org/assets/docs/Tobacco/New%20PA-1%20%20PA-2%20PACT%20Act%20Reports\\_REV%203Mar2021.pdf](https://www.taxadmin.org/assets/docs/Tobacco/New%20PA-1%20%20PA-2%20PACT%20Act%20Reports_REV%203Mar2021.pdf)

- ▶ The monthly reports must be submitted to [Tobacco.Excise@la.gov](mailto:Tobacco.Excise@la.gov) and [TobaccoDOJ@ag.louisiana.gov](mailto:TobaccoDOJ@ag.louisiana.gov)
- ▶ Questions concerning the PACT Act should be submitted to the following e-mail address:  
[Tobacco.PACT@la.gov](mailto:Tobacco.PACT@la.gov).

# Administrative

# Juneteenth Holiday

- Act 128 of 2021 Regular Session declared the third Saturday in June, Juneteenth Day.
- Governor would need to declare observation of the legal holiday on another day.
- Federal Reserve Holidays:
  - In June 2021, President Joe Biden signed legislation making Juneteenth National Independence Day (June 19th) a federal holiday.

# Changes to Installment Agreements

LAC 61:I.4919

Amendments effective: July 20, 2021

- Clarifies that a continuing guaranty agreement may also be required for installment agreements requested by LLCs, partnerships and limited partnerships (not just corporations)
- Extends the payment period allowed for informal installment agreements from 24 months to 36 months.



# Refund Claim Requirements

LAC 61:I.4909

Amendments effective: September 20, 2021

Clarifies when certain information must be provided in support of a refund claim

- **Information and documentation required by statute or regulation to be provided in support of a claim for refund or credit, shall be attached to and submitted with the taxpayer's claim for refund or credit.**
- **Information or documentation required by statute or regulation to be maintained by the taxpayer shall be provided within 30 days of written request by the secretary.**

# Abatement of Presumed Accuracy-Related Penalty

LAC 61:III.2121-2125

Amendments effective: September 20, 2021

Under R.S. 47:1604.1(A)(2), an accuracy-related penalty is presumed to apply when a taxpayer understates their tax liability by 10% or more UNLESS the understatement is due to reasonable cause and the taxpayer acted in good faith.

➤ LAC 61:III.2121 outlines the instances in which the reasonable cause and good faith exception would apply.

Under R.S. 47:1604.1(E)(3), the willful disregard penalty is presumed to apply when a taxpayer fails to timely remit taxes that have been collected or withheld UNLESS the taxpayer can show good cause.

➤ LAC 61:III.2123 outlines what constitutes good cause for purposes of this exception.

# Abatement of Presumed Accuracy- Related Penalty cont.

LAC 61:III.2125 explains the process for requesting an abatement of penalty when one of these exceptions applies. The taxpayer will need to request (new) Form R-20137, *Request for Abatement of Presumed Penalty* to apply for relief under this process.

**NOTE:** The exceptions only apply when the penalty is assessed based on the presumption created in the law and, abatement is only permitted when an exception applies. An abatement is not the same as a waiver.

If the penalty was not assessed based on a presumption or the exception does not apply, then the taxpayer can still request a waiver of penalty pursuant to R.S. 47:1603 and LAC 61:III.2101 using Form R-20128, *Request for Waiver of Penalties*.

# Default Judgments

Act 174 of 2021 Regular Session

Statute: C.C.P. Art. 1794

- ▶ Prior to January 1, 2022, entry and confirmation of preliminary defaults were required in suits against the state, its political subdivisions, and its instrumentalities.
- ▶ Updates the terminology in C.C.P. Art. 1704, which provides for confirmation of preliminary defaults in suits against the state, its political subdivisions, and its instrumentalities, by removing and eliminating entry of preliminary defaults and confirmation of defaults, and adding default judgments.
- ▶ Requires the plaintiff to send notice of intent to obtain a default judgment before the court can render a default judgment against the state, its political subdivisions, or its instrumentalities.
- ▶ Extends time period for filing answer or other pleading from 15 to 21 days.
- ▶ Act 174 becomes effective January 1, 2022.

# Public Records

Act 213 of 2021 Regular Session

Statutes: R.S. 44:36, 39, 411(A) and (A)(2) and (C), and 422

- ▶ Requires LDR to preserve all public records for the times specified in approved formal retention schedules or for three years if no such schedule.
- ▶ Requires LDR to retain an original record, if it exists, or one duplicate, if no original exists.
- ▶ Allows a compliant appropriate microform to be deemed an original, provided the source document is unalterable and image produced is accessible.
- ▶ Requires the secretary to identify records not needed for current agency business nor warrant further retention and request the state archivist to authorize disposal of the identified records.
- ▶ Requires LDR to have a designated records officer.
- ▶ Requires the secretary to designate a records officer every year.
- ▶ Requires secretary to identify records that are not needed for current agency business and do not warrant further retention and to request the state archivist to authorize disposal of the identified records.
- ▶ Requires LDR to comply with all document conversion standards established by the division of archives, records management, and history of the Department of State in accordance with the provisions of R.S. 44:415.

# Prescription

Statute: C.C. Art. 3452

Act 259 of 2021 Regular Session

- ▶ Retains prior law mandate that prescription must be pleaded and cannot be supplied by the courts
- ▶ Creates an exception to permit courts to supply a plea of prescription where legislation provides otherwise.
- ▶ Amends or enacts Code of Civil Procedure Articles to provide for certification procedure for class action suits; for consolidation of cases; for form and amendment of final judgments; and to clarify delay period to apply for a new trial.

# Policy Questions?

## Tax Policy Inquiry Email Boxes

- **Corporate Income and Franchise**
- [PracCIFTPolicyInquiries@la.gov](mailto:PracCIFTPolicyInquiries@la.gov)
  
- **Individual Income and Withholding**
- [PractitionersIndividual.TaxPolicyInquiries@la.gov](mailto:PractitionersIndividual.TaxPolicyInquiries@la.gov)
  
- **Sales**
- [PractitionersSalesTax.PolicyInquiries@la.gov](mailto:PractitionersSalesTax.PolicyInquiries@la.gov)
  
- **Excise/Severance/Miscellaneous**
- [PracExcSevTaxPolicyInquiries@la.gov](mailto:PracExcSevTaxPolicyInquiries@la.gov)