

## WHAT'S NEW FOR LOUISIANA 2025 INDIVIDUAL INCOME TAX?

**ITIN check box** – New check box was added on the face of the tax return for taxpayers with an individual taxpayer identification number for identification purposes.

**Exemptions – previously Lines 6A, 6B, 6D, 6E, 6F** – Act 11 of the 2024 Third Extraordinary Legislative Session repealed the exemption for additional \$1,000 deduction for persons 65 and older, blind and dependents. These lines were removed from the tax form.

**Age Designation – Line 6A** – Line 6A is designated for taxpayers who are 65 or older.

**Dependents – Line 6C** – The number of dependents that can be entered increased from six to eight. If taxpayers have more than eight dependents, attach a statement to the return with the required information.

**Louisiana Standard Deduction – Line 8** – Act 11 of the 2024 Third Extraordinary Legislative Session increased the standard deduction. Taxpayers are allowed a standard deduction to determine their tax liability. The amount of the deduction is \$12,500 for individuals filing single and married filing separate; \$25,000 for individuals filing married filing joint, qualifying surviving spouse and head of household.

**Your Louisiana Income Tax – Line 11** – Act 11 of the 2024 Third Extraordinary Legislative Session changed the income tax rate to a flat tax rate of 3%.

### SCHEDULE C – NONREFUNDABLE PRIORITY 1 CREDITS

**Bone Marrow – Code 120** – The code is no longer available on the return because Act 11 of the 2024 Third Extraordinary Legislative Session repealed this exemption effective December 31, 2024.

**Donations to Eligible Maternal Wellness Center – Code 190** – La. R.S. 47:6113 provides a nonrefundable credit equal to 50 percent of the donation made to an eligible maternal wellness center during the taxable year. The credit must be claimed in the tax period in which the donation is made and may not exceed 50 percent of the taxpayer's income tax liability. For more information on this credit, see Revenue Information Bulletin 25-014 posted on LDR's website. Form R-90156, *Receipt for Donations to Eligible Maternal Wellness Center Credit*, must be attached to the return.

### SCHEDULE D – DONATION SCHEDULE

The following donations were removed:

- Louisiana State Troopers Charities, Inc
- Louisiana Coalition Against Domestic Violence, Inc
- University of New Orleans Foundation
- Southeastern Louisiana University Foundation
- Holden's Hope
- Louisiana Pet Overpopulation

### SCHEDULE E – ADJUSTMENTS TO INCOME

**Add back of federal depreciation previously accelerated via state bonus – Line 2E** – La. R.S. 47:297.25 allows businesses to elect a bonus depreciation deduction, also known as full expensing, for qualified property placed in service during the tax year. This election permits you to deduct 100% of the cost of qualified property on your Louisiana return in the year the property is placed in service.

For each taxable year following the year you claim this deduction, you are required to add back to your Federal AGI the amount of federal depreciation claimed on the same property because the property was fully expensed on your Louisiana return in the initial year. See Revenue Information Bulletin 25-012 for additional information.

**Annual Retirement Income Exemption for Taxpayers 65 or older – Code 6E** – The annual retirement exemption for individuals age 65 and older has increased from \$6,000 to \$12,000.

**IRC 280C Expense – Code 25E** – The code is no longer available on the return because Act 11 of the 2024 Third Extraordinary Legislative Session repealed this exemption effective December 31, 2024.

**Louisiana Fortify Homes Program Grants – Code 31E** – La. R.S. 47:293(9)(a)(xxvii) provides an exclusion of grants received from the Louisiana Fortify Homes Program pursuant to La. R.S. 22:1483.1. See Revenue Information Bulletin 25-020.

**Bonus Depreciation – Code 32E** – La. R.S. 47:297.25 allows businesses to elect a bonus depreciation deduction, also known as full expensing, for qualified property placed in service during the tax year. This election permits you to deduct 100% of the cost of qualified property on your Louisiana return in the year the property is placed in service. Use this code to report the bonus depreciation amount that exceeds the depreciation claimed on your federal return. For this deduction, "qualified property" and "qualified improvement property" have the same meanings as those defined by Sections 168(k) and 168(e)(6) of the Internal Revenue Code, respectively, as in effect on January 1, 2024. The term "research and experimental expenditures" is defined as in Section 174 of the Internal Revenue Code, effective as of January 1, 2024. For more information, see Revenue Information Bulletin 25-012. Form R-90158, *Bonus Depreciation Schedule*, must be attached to your return.

### 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 2024 can be found at <https://revenue.louisiana.gov/individuals/general-resources/school-readiness-credit/>. 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)

**Prison Industry Enhancement – Code 55F** – The code is no longer available on the return because Act 11 of the 2024 Third Extraordinary Legislative Session repealed this exemption effective December 31, 2024.

### SCHEDULE J – NONREFUNDABLE PRIORITY 3 CREDITS

**Child Care Credit Carried Forward From 2020 through 2024 – 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 2025 tax year, credits from 2020 through 2024 can be applied on Line 3. Any remaining child care credit from 2019 cannot be applied to the 2025 tax liability. (La. R.S. 47:297.4)

**School Readiness Credit Carried Forward From 2020 through 2024 – 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 2025 tax year, credits from 2020 through 2024 can be applied on Line 5. Any remaining child care credit from 2019 cannot be applied to the 2025 tax liability. (La. R.S. 47:6104)

**Owner of Accessible and Barrier-free Home – Code 221** – This credit is no longer available because the time to carry forward unused credits has ended.

**New Jobs Credit – Code 224** – This credit is no longer available because the time to carry forward unused credits has ended.

**Eligible Re-entrants – Code 228** – This credit is no longer available because the time to carry forward unused credits has ended.

**Apprenticeship (2007) – Code 236** – This credit is no longer available because the time to carry forward unused credits has ended.

**Louisiana Fortified Roof – Code 466** – La. R.S. 47:6028 provides a credit for Louisiana resident taxpayers who install a fortified roof, as certified by the Insurance Institute for Business and Home Safety, on their primary residence. The credit is equal to the full amount of qualified expenses, up to \$10,000 per residence for owner-occupied homes with a homestead exemption. See Revenue Information Bulletin 25-020.

### VISIT THESE LDR WEBSITES:

- <https://revenue.louisiana.gov/tax-forms/> for forms and instructions
- <https://revenue.louisiana.gov/individuals/general-resources/individual-income-tax/> for tax information
- [https://latap.revenue.louisiana.gov/\\_/](https://latap.revenue.louisiana.gov/_/) for free filing and payment options

## General Information for Filing Your 2025 Louisiana Resident Individual Income Tax Return



- Use black ink only.
- Free internet filing is available for most Louisiana taxpayers at <https://latap.revenue.louisiana.gov/>

### WHO MUST FILE A RETURN

1. If you are a Louisiana resident who is required to file a federal individual income tax return, you must file a Louisiana income tax return reporting all income earned in 2025.
2. You must file a return to obtain a refund or credit if you overpaid your tax through withholding, declaration of estimated tax, credit carried forward, claiming a 2025 refundable child care credit, or a Louisiana earned income credit.
3. If you are **not required to file a federal return** but had Louisiana income tax withheld in 2025, **you must file a return to claim a refund of the amount withheld**. Refer to the IRS requirements for filing in order to determine if you must file a federal return. For additional information, see the NOTE on page 2.
4. **Military** – The federal Servicemembers Civil Relief Act extends certain residency protections to servicemembers and their spouse. A servicemember's state of residence does not change when he or she moves to a new state under military orders to be in the new state. A spouse's state of residence also does not change when he or she moves to a new state to be with a servicemember who is under military orders to be in the new state. See Revenue Information Bulletin 24-015 for more information.

If you are an unmarried military personnel whose home of record is Louisiana and you meet the filing requirements of 1 or 2 above, you must file a return and report all of your income, regardless of where you were stationed. You should file Form IT-540, *Louisiana Resident Individual Income Tax Return*, reporting all of your income to Louisiana. If your domicile is NOT Louisiana, you must report any nonmilitary Louisiana sourced income on Form IT-540B, *Louisiana Nonresident Individual Income Tax Return*.

A servicemember and their spouse may select between one of three residency possibilities for purposes of taxation: (1) the residence or domicile of the servicemember, (2) the residence or domicile of the servicemember's spouse, or (3) the permanent duty station of the servicemember. Regardless of residency, income earned within or derived from Louisiana sources, such as rents, royalties, estates, trusts, or partnerships, is taxable to Louisiana. If you are married, you are required to file using the same filing status as you did on your federal return. If both you and your spouse are residents of Louisiana, you should file Form IT-540 reporting all of your income to Louisiana. If one of you is not a resident of Louisiana, you may file as a resident (Form IT-540) or a nonresident (Form IT-540B), whichever is more beneficial to you and your spouse. Resident taxpayers are allowed a credit for income tax paid to another state on nonmilitary income or on income earned by your spouse if that income is included on the Louisiana return. Use Nonrefundable Priority 1 Credits, Schedule C, Line 1 to report taxes paid to another state.

Louisiana residents who are members of the armed services and were stationed out-of-state for 120 or more consecutive days on active duty may be entitled to an exemption of up to \$50,000 of military income. See the instructions for Schedule E, Code 10E.

5. **Professional Athletes** – Louisiana Administrative Code ("LAC") 61:III.1527 requires all professional athletes who participate in athletic events within Louisiana to file all tax returns electronically. Nonresident professional athletes must electronically file Form IT-540B and Schedules NRPA-1 and NRPA-2.
6. A temporary absence from Louisiana does not automatically change your domicile for income tax purposes. You must confirm your intention to change your domicile to another state by actions taken to establish a new domicile outside of Louisiana and by actions taken to abandon the Louisiana domicile and its privileges. Examples of establishing a domicile include registering to vote, registering and titling vehicles, obtaining a driver's license, changing children's school of attendance, obtaining a homestead exemption, or any other actions that show intent to establish a new domicile outside of Louisiana. These are intended as examples and do not necessarily indicate a change in domicile. You are considered to be a Louisiana resident if you continue to maintain a residence in Louisiana while working in another state. Use Nonrefundable Priority 1 Credits, Schedule C, Line 1 to report taxes paid to another state.
7. **Surviving Spouses, Executors, Administrators, or Legal Representatives** – A final return for a decedent must be filed if you are the surviving spouse, executor, administrator, or legal representative, and the decedent met the filing requirements at the date of death. If both conditions apply, mark the decedent box, enter the date of death on the face of the return for the appropriate taxpayer, and attach a copy of the death certificate. If a refund is due to the decedent's estate, survivor, etc., you must also complete and attach Form R-6642, *Refund Claim on Behalf of Deceased Taxpayer*. The surviving spouse, executor, administrator, or legal representative may claim the credit for Funeral and Burial Expense for a Pregnancy-Related Death on the final return if applicable. See the instructions for the credit for more information.

### FORMS

Forms and instructions are on the Louisiana Department of Revenue ("LDR") website, <https://revenue.louisiana.gov/tax-forms/>. Submit comments, questions, suggestions to LDR about forms or instructions at [LDRRevAnalysisReportingLIF@la.gov](mailto:LDRRevAnalysisReportingLIF@la.gov).

### AMENDED RETURNS

If you file your income tax return and later become aware of any changes you must make to income, deductions, exemptions, or credits, you must file an amended (corrected) Louisiana return. You must use the correct form for the tax year being amended, mark an "X" in the "Amended Return" box on the face of the return, and include an explanation of the change and a copy of the federal amended return, Federal Form 1040X, if one was filed. If you are amending your income tax return due to utilizing a Net Operating Loss (NOL) carryback, you must mark an "X" in the "Amended Return" box and also in the "NOL Carryback" box on the face of the return. Include an explanation of the change and a copy of the federal amended return, Federal Form 1040X, if one was filed.

**NOTE: Do not make any adjustments for refunds received or for payments made with the original return. This information is already on file.**

### FEDERAL TAX ADJUSTMENTS

Louisiana Revised Statute 47:103(C) requires taxpayers whose federal returns are adjusted to furnish a statement disclosing the nature and amounts of the adjustments within 60 days after the adjustments have been made and accepted. This statement must accompany the amended state return.

### WHEN TO FILE

1. A 2025 calendar year return is due on or before May 15, 2026.
2. Returns for fiscal years are due on or before the 15th day of the fifth month after the close of the taxable year.
3. If the due date falls on a weekend or legal state holiday, the return is due the next business day.

### WHERE TO FILE AND PAY TAX

Enter your legal name and social security number on your return and any correspondence. **NOTE:** On a joint return, list the names and the social security numbers in the same order that you listed them on your federal return.

A return for which a **payment** is due must be mailed to P.O. Box 3550, Baton Rouge, LA 70821-3550. **Print the last four digits of your social security number on your check or money order. DO NOT SEND CASH.** An electronic payment option is available on the LDR website at <https://latap.revenue.louisiana.gov/>.

**You can also pay your taxes by credit card over the internet or by telephone.** Visit [www.revenue.louisiana.gov](http://www.revenue.louisiana.gov) for more information.

**All other individual income tax returns** must be mailed to P.O. Box 3440, Baton Rouge, LA 70821-3440.



### EXTENSION OF TIME FOR FILING A RETURN

If you cannot file your return by the due date, you do not need to file for an extension. You will automatically be granted an extension of six months to November 16, 2026.

**Important: An extension does not relieve you of your obligation to pay all tax amounts due by the original due date.** If you anticipate that you will owe additional tax on your return, you should submit your payment with a payment voucher (Form R-2868V) by May 15, 2026. An extension means only that you will not be assessed a delinquent filing penalty for filing your return after the due date but before the extended due date. Interest on the additional tax due from the due date of the return and any penalties will be assessed if applicable. If you file your return after the extended due date, you will be assessed a delinquent filing penalty from the original due date of the return. **NOTE:** No paper or electronic extension form needs to be filed to obtain the automatic extension.

### INSTALLMENT REQUEST

If you are unable to pay the balance in full by the due date, you may submit an installment request using Form R-19026, *Installment Request for Individual Income*, which is available on the LDR website. You may also submit the request by accessing your account at <https://latap.revenue.louisiana.gov/>. There is a fee of \$105 to establish a standard installment payment agreement.

### INTEREST AND PENALTIES

See Interest and Penalty Calculation Worksheet later in the instructions.

### KEEP YOUR RECORDS

You should keep copies of federal and state tax returns and W-2 statements for four years. In most cases, you do not have to submit a copy of your federal return with your state return unless requested by LDR.

## GENERAL INFORMATION

### CONSUMER EXCISE TAX RETURN

Louisiana imposes an excise tax on tobacco products and alcoholic beverages. If you purchased any of these products on the internet or through the mail, you are required to pay the excise tax on those products. You must use Form R-5629, *Consumer Excise Tax Return*, to report and pay the tax due on these products.

### ELECTRIC AND HYBRID VEHICLE ROAD USAGE FEE

Louisiana imposes a road usage fee on the owner or lessee of an electric or hybrid vehicle registered and operated in Louisiana during the calendar year as provided by La. R.S. 32:461. The fee is dedicated to state and local transportation and development funds and is to supplement the "road tax" paid on gas. The fee for 2025 is due on or before May 15, 2026. See the instructions for Line 23B for more information.

## Instructions for Preparing Your 2025 Louisiana Resident Income Tax Return Form (IT-540)

### ABOUT THIS FORM

The return has been designed for electronic scanning, which permits faster processing with fewer errors. In order to avoid unnecessary delays caused by manual processing, taxpayers should follow the guidelines listed below:

1. Enter amounts only on those lines that are applicable.
2. Use only a pen with **black ink**.
3. Because this form is read by a machine, enter your numbers **inside the boxes** like this:

|   |   |   |   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|---|---|---|
| 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | X |
|---|---|---|---|---|---|---|---|---|---|---|

4. All numbers should be rounded to the nearest dollar. Numbers should **NOT** be entered over the pre-printed zeros in the boxes on the far right which are used to designate cents (.00).
5. To avoid any delay in processing, use this form for **2025** only.
6. If you are filing an amended return, mark an "X" in the "Amended Return" box on the face of the return.

**Nonresidents must use Form IT-540B to file their Louisiana return. Part-year residents have the option to file a resident or nonresident return, whichever is more beneficial. See Revenue Ruling 05-008 on LDR's website. Nonresident professional athletes must electronically file Form IT-540B and Schedules NRPA-1 and NRPA-2.**

**NAME, ADDRESS, AND SOCIAL SECURITY NUMBER** – Enter your legal name, address, daytime telephone number, social security number, and date of birth on your return. Mark the box next to SSN to indicate the number entered is an individual taxpayer identification number (ITIN). For the unit type, use postal abbreviations such as APT, FL, STE, and RM. If you have a foreign address, enter the city name in the appropriate space. Follow the country's practice for entering the postal code and the name of the province, county, or state. Enter the foreign country name in the appropriate space. Do not abbreviate the country name.

If there is a change in your name or address since last year's return (for example, new spouse), mark an "X" in the "Name Change" or "Address Change" box. LDR automatically updates your account when you change your address with the post office. A direct address change can be accomplished by marking the "Address Change" box when filing your return, or it can be submitted by accessing your account at <https://latap.revenue.louisiana.gov/>. If married, enter social security numbers and dates of birth for both you and your spouse. On a joint return, your names and social security numbers must be listed in the same order that you listed them on your federal return.

**NOTE:** If you are not required to file a federal return but had Louisiana income tax withheld in 2025, complete Lines 1 through 6B. In the appropriate boxes above Line 7, enter the total amount of wages and income and mark the box to the right. Skip to Line 13, enter zero "0," and complete the remainder of the return. You must enter the total amount of wages and income in the boxes above Line 7. Failure to do so will result in processing delays.

**Lines 1 through 5** – Filing status – You must use the same filing status on your Louisiana return as you did on your federal return. In the box on the left, enter the number corresponding to your filing status: "1" for Single, "2" for Married Filing Jointly, "3" for Married Filing Separately, "4" for Head of Household, and "5" for Qualifying Surviving Spouse. Head of Household status is for unmarried people who paid over half the cost of keeping up a home for a qualifying person. If you file as Head of Household or Qualifying Surviving Spouse, you must show the child's name if the qualifying person is a child but not your dependent.

**Line 6A** – Age Designation – Mark an "X" in the appropriate boxes, if you or your spouse are age 65 or older.

**Line 6B** – Enter the names of the dependents claimed on your federal return. Complete the required information. If you have more than eight dependents, attach a statement to your return with the required information. In the box on Line 6B, enter the total number of dependents claimed.

**Line 7** – Enter the amount of your Federal Adjusted Gross Income (Federal AGI). This amount is taken from Federal Form 1040 or 1040-SR, Line 11b. If your Federal AGI is less than zero, enter "0."

If you have any exempt income or deductions other than what is reported on Lines 8 and 9D, you need to complete Schedule E to determine your Louisiana Adjusted Gross Income. Mark an "X" in the box on Line 7 if the amount from Schedule E, Line 5, is used.

**Line 8** – If your filing status is 1 or 3, enter \$12,500; 2, 4, or 5, enter \$25,000.

**Lines 9A through 9D** – If you did not itemize your deductions on your federal return, skip Lines 9A through 9D and go to Line 10.

**Line 9A** – If you itemized your deductions on your federal return, enter the amount of your federal itemized deductions shown on Federal Form 1040 or 1040-SR, Schedule A, Line 17.

**Line 9B** – If you itemized your deductions on your federal return, enter the amount of your allowable federal itemized deduction for medical and dental expenses shown on Federal Form 1040 or 1040-SR, Schedule A, Line 4.

**Line 9C** – If you itemized your deductions on your federal return and your filing status is 1 or 3, enter \$15,750; 2 or 5, enter \$31,500; 4, enter \$23,625.

**Line 9D** – Subtract Line 9C from Line 9B. If less than zero, enter zero "0."

**Line 10** – Subtract Lines 8 and 9D from Line 7. If less than zero, enter zero "0."

**Line 11** – Multiply Line 10 by .03. Round to the nearest dollar.

**Line 12** – Enter the amount of the Nonrefundable Priority 1 Credits from Form IT-540, Schedule C, Line 6.

**Line 13** – Subtract Line 12 from Line 11. If the result is less than zero or if you are not required to file a federal return, enter zero "0" and complete the remainder of the return.

**Line 14** – Enter the amount of your Louisiana Refundable Child Care Credit from the 2025 Louisiana Refundable Child Care Credit Worksheet, Line 11. This worksheet must be attached to your return. **Your Federal Adjusted Gross Income must be \$25,000 or less to claim a credit on this line.** See the Louisiana Child Care Credit instructions. Retain copies of canceled checks, receipts, and other documentation in order to support the amount of qualifying expenses, or submit this documentation with the return for faster processing.

**Line 14A** – Enter the amount from the 2025 Louisiana Refundable Child Care Credit Worksheet, Line 3.

**Line 14B** – Enter the amount from the 2025 Louisiana Refundable Child Care Credit Worksheet, Line 6.

**Line 15** – Enter the amount of your 2025 Louisiana Refundable School Readiness Credit. **Your Federal Adjusted Gross Income must be \$25,000 or less to claim a credit on this line.** The amount is determined from your Louisiana Refundable School Readiness Credit Worksheet. This worksheet must be attached to your return. In the boxes under Line 15, enter the number of your qualified dependents who attended the associated star rated facility or facilities.



## Instructions for Preparing Your 2025 Louisiana Resident Income Tax Return ...Continued

**Line 16** – Enter the amount of your Louisiana Earned Income Credit (LA EIC). If you claimed a Federal Earned Income Credit (EIC), you are entitled to a LA EIC as provided under La. R.S. 47:297.8. The refundable credit is equal to 5 percent of your Federal EIC. The Louisiana Earned Income Credit Worksheet must be attached to your return.

**Line 17** – Enter the amount of the Other Refundable Priority 2 Credits from Form IT-540, Schedule F, Line 9.

**Line 18** – Add Lines 14 and 15 through 17. Do not include amounts on Lines 14A and 14B.

**Line 19** – If Line 13 is greater than Line 18, subtract Line 18 from Line 13. Also, enter a zero “0” on Line 20 and go to Line 21. Otherwise, enter a zero “0” on Line 19 and go to Line 20.

**Line 20** – If Line 18 is greater than Line 13, subtract Line 13 from Line 18.

**Line 21** – Enter the amount of the Nonrefundable Priority 3 Credits from Form IT-540, Schedule J, Line 16. These credits are limited to the tax liability calculated on Line 19.

**Line 22** – Subtract Line 21 from Line 19. If less than zero, enter zero “0.”

**Name Boxes** – Enter the first 4 letters of the primary taxpayer’s last name in the boxes at the bottom of the second, third, and fourth pages.

**Line 23A** – During 2025, if you purchased goods or digital products for use in Louisiana from outside the state and were not charged Louisiana state sales tax, you are required to file and pay the tax directly to LDR. This includes purchases from catalogs, television, Internet, another state, or outside the U.S. If any of the items were alcoholic beverages or tobacco products, you are required to file Form R-5629. Use the Consumer Use Tax Worksheet below to calculate your use tax. Do not include any consumer use tax reported for 2025 on Form R-1035, *Consumer Use Tax Return*, or purchases made for your business. You must register your business with LDR and report the use tax for your business under that account. Mark an “X” in the box to indicate if no use tax is due or the amount is from the Consumer Use Tax Worksheet.

**Line 23B** – During 2025 if you owned or leased an electric or hybrid vehicle that was registered and operated in Louisiana, you are required to file and pay a road usage fee directly to LDR under La. R.S. 32:461. The fee is for the calendar year and is prorated if the vehicle was owned or leased for less than a year. The fee is dedicated to state and local transportation and development funds and is to supplement the “road tax” paid on gas. Use Form R-19000A, *Schedule A for Electric and Hybrid Vehicle Road Usage Fee*, to calculate your fee and attach it to your return. You may attach multiple copies if you own more than two vehicles. See the instructions to Form R-19000. For additional information, see LAC 61:1.5501 and LDR’s website. Mark an “X” in the box to indicate if no road usage fee is due or the amount is from Form R-19000A.

**Line 24** – Add Lines 22, 23A, and 23B.

**Line 25** – Enter the amount from Line 20, if applicable.

**Line 26** – Enter the amount of the Refundable Priority 4 Credits from Form IT-540, Schedule I, Line 6.

**Line 27** – Enter the amount of Louisiana income tax withheld in 2025. You must attach copies of all W-2 and 1099 forms that indicate tax was withheld.

**Line 28** – Enter the amount of any credit carried forward from 2024. This amount is shown on your 2024 Form IT-540, Line 36, or IT-540B, Line 38.

**Line 29** – Enter the total amount of estimated payments you made for the 2025 tax year.

**Line 30** – Enter the amount of extension payment you made for the 2025 tax year.

**Line 31** – Add Lines 25 through 30.

**Line 32 – Overpayment** – If Line 31 is greater than Line 24, subtract Line 24 from Line 31. Your overpayment may be reduced by the Underpayment of Estimated Tax Penalty. If Line 31 is equal to Line 24, enter a zero “0” on Lines 32 through 39 and go to Line 40. If Line 31 is less than Line 24, enter a zero “0” on Lines 32 through 38 and go to Line 39.

**Line 33** – See instructions for Underpayment Penalty on page 14.

**Line 34** – If Line 32 is greater than Line 33, subtract Line 33 from Line 32 and enter the balance on Line 34. If Line 33 is greater than Line 32, enter zero “0” on Lines 34 through 38, subtract Line 32 from Line 33, and enter the balance on Line 39.

**Line 35** – You may donate all or part of your overpayment (Line 34) to various organizations or funds listed on Schedule D, Lines 2 through 13. Enter the amount from Schedule D, Line 14. This amount cannot be greater than Line 34.

**Line 36** – Subtract Line 35 from Line 34. This amount of overpayment is available for credit or refund.

**Line 37** – Enter the amount of available overpayment shown on Line 36 that you wish to credit to 2026.

**Line 38** – Subtract Line 37 from Line 36. This amount is to be refunded. You must select how you want to receive your refund. If this is your first time filing, your refund cannot be directly deposited. Enter a “2” in the box if you want to receive your refund by paper check. Enter a “3” in the box if you want your refund directly deposited into your bank account. Carefully enter the information in the boxes to indicate the type of bank account, the routing number, and the account number. Your nine digit routing number appears under the memo line of your check; your bank account number will appear to the right of your routing number. **You are required to answer the question regarding the location of the bank account. If the information is unreadable or if you do not select a method to receive your refund, you will receive your refund by paper check.** Option 1 was omitted intentionally.

**Line 39** – If Line 24 is greater than Line 31, subtract Line 31 from Line 24. If you entered an amount from Line 34 as the result of an underpayment penalty exceeding an overpayment, complete Lines 40 through 42, enter zero “0” on Lines 43 through 45, and go to Line 46.

**Lines 40 through 42** – You may make an additional donation to the funds listed on Lines 40 through 42. You must include payment for the amount being donated with your return. The donation will not be made unless you make payment, and the donation cannot be refunded at a later date.

**Line 43** – Interest is charged on all tax amounts not paid by the due date. Enter the amount from the Interest Calculation Worksheet, Line 5.

**Line 44** – If you fail to file your tax return by the extended due date on or before November 16, 2026, for calendar year filers or on or before your fiscal year extended due date, you may be charged a delinquent filing penalty. Enter the amount from the Delinquent Filing Penalty Calculation Worksheet, Line 3.

### Consumer Use Tax Worksheet

Under La. R.S. 47:302(K), LDR is required to collect an 9 percent tax on out-of-state purchases subject to use tax. This 9 percent rate (which includes 4 percent to be distributed by LDR to local governments) is in lieu of the actual rate in effect for your area and is payable regardless of the actual combined state and local rate for your area. See the instructions for Line 23A for more information.

This law ensures that Louisiana businesses are not at a competitive disadvantage with out-of-state businesses who are not required to collect sales tax.

|                            |    |       |       |
|----------------------------|----|-------|-------|
| 1. Taxable purchases ..... | \$ | ..... | .00   |
| Tax rate (9 percent) ..... |    |       | X .09 |
| 2. Total use tax due ..... | \$ | ..... | .00   |

➡ Enter here and on Form IT-540, Line 23A.

## Instructions for Preparing Your 2025 Louisiana Resident Income Tax Return ...Continued

**Line 45** – If you fail to pay the tax due by the due date on or before May 15, 2026, for calendar year filers, you may be charged a delinquent payment penalty. Enter the amount from the Delinquent Payment Penalty Calculation Worksheet, Line 7.

**Line 46** – See the instructions for Underpayment Penalty on page 14.

**Line 47** – Add Lines 39 through 46. You may make an electronic payment at <https://latap.revenue.louisiana.gov/>. You may also make payment by check or money order. **DO NOT SEND CASH.** Make your check or money order payable to the **Louisiana Department of Revenue**. Print the last four digits of your social security number on your check or money order and attach it to your return.

You can also pay your taxes by credit card over the internet or by telephone. Visit <https://revenue.louisiana.gov/file-pay-online/> more information.



**Social Security Numbers** – Enter your social security number in boxes provided on each page of your return.

**Name Boxes** – Enter the first four letters of the primary taxpayer's **last name** in the boxes under the signature line.

**Filing – YOU MUST SIGN AND DATE YOUR RETURN.** If married filing jointly, both spouses must sign. Also, enter your email address in the space provided, if applicable.

**Paid Preparer Instructions** – If your return was prepared by a paid preparer, that person must also sign in the appropriate space, complete the information in the “Paid Preparer Use Only” box, and enter his or her identification number in the space provided under the box. If the paid preparer has a Preparer Tax Identification Number (PTIN), the PTIN must be entered in the space provided under the box; otherwise, enter the Federal Employer Identification Number (FEIN) or LDR account number. If the paid preparer represents a firm, the firm's FEIN must be entered in the “Paid Preparer Use Only” box. The failure of a paid preparer to sign or provide an identification number will result in the assessment of the unidentified preparer penalty on the preparer. The penalty of \$50 is for each occurrence of failing to sign or failing to provide an identification number.

**DO NOT SUBMIT A PHOTOCOPY OF THE RETURN. Only submit an original return.**

## General Information Regarding Tax Credits and Pass-Through Entity Tax Election

If a schedule is required in the instructions below, you must attach a separate schedule for each credit claimed. The schedule should clearly identify the credit, your name, and your social security number. If documentation is required, you must submit the documentation with your return. For faster processing, you can upload all required information when you file your return electronically. Revenue Information Bulletins are posted on <https://revenue.louisiana.gov/tax-policy/> under Policy Documents.

A shareholder, partner, or member of an S corporation or other pass-through entity must attach a copy of the Schedule K-1 and other documentation required to substantiate their share of any credit passed down from the entity.

**Note:** If you are claiming a credit that is recorded in the Tax Credit Registry, you must attach a copy of Form R-6135, *Credit Registration Form*, to the return and list the State Certification Number in the appropriate space on the return.

See Revenue Information Bulletin 14-005 for information on the Tax Credit Registry and Revenue Information Bulletin 17-008 for claiming a purchased transferable tax credit.

**Pass-Through Entity Tax Election** – If you are a shareholder, member, or partner of an entity that has made the pass-through entity tax election

to pay Louisiana income tax at the entity level, any credits earned by the entity for 2025 cannot be used on the individual income tax return. Credits earned in the year the election was made or after the election was made are tax items of the entity, and the credit and its future carryforward must be reported on the entity's return. Tax credits earned in tax years prior to the election that have previously passed through to the owners are tax items of the owners, and any credit carryforward remaining can only be used on the individual income tax return.

If the income earned by a trust or estate as a member, shareholder, or partner of an electing entity is distributed to a beneficiary filing an individual income tax return in Louisiana in the same taxable year it is earned, the individual is allowed to take the exclusion of the distributed income on their individual income tax return for that taxable year. If the income earned by a partnership as a member, shareholder, or partner of an electing entity is included on individual income tax return in Louisiana in the same taxable year it is earned, the individual is allowed to take the exclusion of the distributed income on their individual income tax return for that taxable year.

See Revenue Information Bulletin 19-019 and LAC 61:I.1001(C)(6) for more information.

## Instructions for Nonrefundable Priority 1 Credits, Schedule C

**Line 1** – If you are a resident of Louisiana, you are allowed a credit for income taxes paid to other states for income reported on your Louisiana return (La. R.S. 47:33). Note that you may not claim the tax withheld; you must file a return with the other state and claim the tax actually paid. You may not claim credit for taxes paid to cities or foreign countries. See Revenue Ruling 02-013 for information on taxes paid to the District of Columbia.

The credit is allowed **ONLY** if the other state does not allow a nonresident credit against the income taxes imposed by that state for taxes paid or payable to the state of residence. 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 Louisiana.

The credit is equal to the lesser of the amount of taxes paid to the other state or the amount determined by multiplying the taxpayer's Louisiana income tax liability by a fraction, the numerator of which is the taxpayer's Louisiana taxable income attributable to the other state to which net income taxes were paid, and the denominator of which is total Louisiana taxable income. See Revenue Information Bulletin 16-052 for information on qualifying states. A copy of the returns filed with the other states and Form R-10606, *Supplemental Worksheet for Credit for Taxes Paid to Other States*, must be attached to your return. If the taxes were paid on your behalf on a composite return to another state, copies of the return

for the other state and your Schedule K-1 must be attached to the return.

**Line 1A** – Enter the total from Form R-10606, Column 8, Line 15.

**Line 1B** – Enter the total from Form R-10606, Column 9, Line 15.

**Additional Nonrefundable Priority 1 Credits, Lines 2 through 5** – Additional nonrefundable credits available for the tax year ending December 31, 2025, are referenced individually by a three-digit code. Please enter the credit description, identifying code, and the dollar amount claimed in the appropriate spaces on Lines 2 through 5.

**NOTE: Use only the codes referenced in the table on Schedule C. The codes listed here are not interchangeable with other codes listed on other schedules.**

Example:

| Credit Description | Code | Amount of Credit Claimed |
|--------------------|------|--------------------------|
| Premium Tax        | 100  | 500.00                   |

**Line 6** – Add Lines 1B and 2 through 5. Also, enter the amount on Form IT-540, Line 12.

## Instructions for Nonrefundable Priority 1 Credits, Schedule C ...Continued

| CODE                               | CREDIT DESCRIPTION  | CODE  | CREDIT DESCRIPTION   |
|------------------------------------|---|---|--|
| <b>100 – Premium Tax</b>           | – La. R.S. 47:227 provides a credit for premium taxes paid during the preceding 12 months by an insurance company authorized to do business in Louisiana. The credit may be passed through to individuals who are shareholders or members of certain legal entities. A schedule must be attached listing the entities that paid the premium tax and generated the credit on behalf of the individual. |   | of the amount of the filing fee paid to the Louisiana State Bond Commission, which is incurred by an economic development corporation in the preparation and issuance of bonds.  |
| <b>150 – Qualified Playgrounds</b> | – La. R.S. 47:6008 provides a credit for donations to assist qualified playgrounds. The credit is for the lesser of \$720 or 36 percent of the value of the cash, equipment, goods, or services donated. For more information on this credit, see Revenue Ruling 02-020.  | <b>190 – Donations to Eligible Maternal Wellness Center</b> | – La. R.S. 47:6113 provides a nonrefundable credit equal to 50 percent of the donation made to an eligible maternal wellness center during the taxable year. The credit must be claimed in the tax period in which the donation is made and may not exceed 50 percent of the taxpayer's income tax liability. For more information on this credit, see Revenue Information Bulletin 25-014 posted on LDR's website. Form R-90156, <i>Receipt for Donations to Eligible Maternal Wellness Center Credit</i> , must be attached to the return. |
| <b>155 – Debt Issuance</b>         | – La. R.S. 47:6017 provides a credit for 72 percent   | <b>199 – Other</b>  | – Reserved for future credits  |

## Instructions for Donations, Schedule D

**Line 1** – Enter the amount of adjusted overpayment from Form IT-540, Line 34.

**Line 2** – You may donate all or part of your adjusted overpayment to The Military Family Assistance Fund. This fund provides assistance to family members of active Louisiana military personnel.

**Line 3** – You may donate all or part of your adjusted overpayment to the Coastal Protection and Restoration Fund for the purposes of coastal restoration, conservation, and hurricane protection. For more information, visit [www.coastal.la.gov](http://www.coastal.la.gov).

**Line 4** – You may contribute an amount of your adjusted overpayment to the Louisiana Student Tuition Assistance and Revenue Trust (START) Savings Program. Contributions are not allowed to a START K12 account. **IMPORTANT:** If filing a joint return, you or your spouse must be a registered account owner in the START Savings Program in order to contribute all or part of your overpayment. If you do not have an account, you may contact the Louisiana Office of Student Financial Assistance at 1-800-259-5626, or go to [www.startsaving.la.gov](http://www.startsaving.la.gov) to enroll. All contributions of your overpayment will be equally distributed among the account holder's beneficiaries.

**Line 5** – You may donate all or part of your adjusted overpayment to the Wildlife Habitat and Natural Heritage Trust Fund. This fund provides for the acquisition and management of lands used for state parks, state forests, and wildlife and fishery management areas.

**Line 6** – You may donate all or part of your adjusted overpayment to the Louisiana Cancer Advisory Board for the purpose of combating cancer and research into a cure for the disease.

**Line 7** – You may donate all or part of your adjusted overpayment to promote unity among member food banks in Louisiana in support of their common mission to feed the hungry. For more information, visit [www.feedinglouisiana.org](http://www.feedinglouisiana.org).

**Line 8** – You may donate all or part of your adjusted overpayment to the Make-A-Wish Foundation of the Texas Gulf Coast & Louisiana. For more information, visit [www.texgulf.wish.org](http://www.texgulf.wish.org).

**Line 9** – You may donate all or part of your adjusted overpayment to the American Red Cross. For more information, visit [www.redcross.org](http://www.redcross.org).

**Line 10** – You may donate all or part of your adjusted overpayment to the Honor Guard for Military Funerals Fund. This fund provides for military funeral honors for members of Louisiana's military forces.

**Line 11** – You may donate all or part of your adjusted overpayment to the Dreams Come True, Inc. for the purpose of fulfilling dreams of children with life-threatening illnesses. For more information, visit [www.dctofla.com](http://www.dctofla.com).

**Line 12** – You may donate all or part of your 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).

**Line 13** – You may donate all or part of your adjusted overpayment to Maddie's Footprints to help families who have experienced miscarriages, stillbirths, or the loss of an infant. For more information, visit [www.maddiesfootprints.org](http://www.maddiesfootprints.org).

**Line 14** – Add Lines 2 through 13. This amount cannot be more than Line 1. Also, enter this amount on Form IT-540, Line 35.

## Instructions for Adjustments to Income, Schedule E

**Line 1** – Enter the amount of your Federal AGI. This amount is shown on your Federal Form 1040 or 1040-SR, Line 11b. If the amount is less than zero, mark the box on Line 1. Do not use a negative sign with the amount. For example, if your Federal AGI is a \$10,000 loss, mark the box on Line 1 and enter 10,000.

**Line 2A** – Tax-exempt interest and dividend income reported on your federal return are taxable to Louisiana if ALL of the following conditions are met:

- You are filing as a resident of Louisiana.
- The interest or dividend income is received from obligations of a state or political subdivision of a state other than Louisiana. Obligations of the State of Louisiana, its political subdivisions, or public corporations created by them and their constituted authorities are exempt from Louisiana taxes.
- The obligations were purchased on or after January 1, 1980.

Enter the **TOTAL** taxable interest and dividends. Do not list interest and dividends separately. See Revenue Ruling 11-001 if you have any Build America Bonds.

**Line 2B** – Enter any previously exempted Louisiana Student Tuition Assistance and Revenue Trust (START) contributions that were refunded to you during 2025 by the Louisiana Office of Student Financial Assistance.

**Line 2C** – Enter any previously exempted Louisiana Student Tuition Assistance and Revenue Trust Grades K-12 (START K12) contributions that were refunded to you during 2025 by the Louisiana Office of Student Financial Assistance.

**Line 2D** – La. R.S. 47:297.14 provides for an exclusion for an individual who is a shareholder, member, or partner of an entity that made the pass-through entity tax election under La. R.S. 47:287.732.2. This election allows S corporations and other entities taxed as partnerships for federal income tax purposes to pay Louisiana income tax at the entity level. The entity must have received LDR's approval of the election. The add-back amount is the Louisiana net operating loss that was reported at the entity level for this tax year that is included on Federal Form 1040 or 1040-SR. You must also include any net operating loss carried forward from a tax year in which the election was made and utilized in this tax year.



## Instructions for Adjustments to Income, Schedule E ...Continued

Do not include income not taxed at the entity level such as interest and dividend income. See Revenue Information Bulletin 19-019 and LAC 61:1.1001(C)(4) for more information. You must attach a copy of Form R-6981, *Louisiana Statement of Owner's Share of Entity Level Tax Items*, and a pro forma Federal Form 1040 that excludes any income, deductions, or other tax items that were included in the calculation of Louisiana net income on the entity's Louisiana Form CIT-620. The amount that you can exclude is the difference in Federal AGI calculated on your Federal Form 1040 and the pro forma Federal Form 1040. If the difference is a loss, the loss must be added to your Federal AGI on this line. This amount should be included in the amount on Schedule E, Line 1. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:1.1001.

**Line 2E** – La. R.S. 47:297.25 allows businesses to elect a bonus depreciation deduction, also known as full expensing, for qualified property placed in service during the tax year. This election permits you to deduct 100% of the cost of qualified property on your Louisiana return in the year the property is placed in service. For each taxable year following the year you claim this deduction, you are required to add back to your Federal AGI the amount of federal depreciation claimed on the same property because the property was fully expensed on your Louisiana return in the initial year. See Revenue Information Bulletin 25-012 for additional information. Form R-90158, *Bonus Depreciation Schedule*, must be attached to your return.

**Line 3** – Add Line 1 through 2E. If the amount is less than zero, enter zero "0." **This line may not be less than zero.**

### EXEMPT INCOME LINES 4A THROUGH 4G

Income items that are considered exempt by Louisiana law to arrive at Louisiana taxable income are referenced individually by a three-digit code. Enter the description, identifying code, and dollar amount in the appropriate spaces on Lines 4A through 4G.

**NOTE: Use only the codes referenced in the table on Schedule E. The codes listed here are not interchangeable with other codes listed on other schedules.**

Example:

| Exemption Description | Code  | Amount     |
|-----------------------|-------|------------|
| START Savings Program | 0 9 E | 7 0 0 . 00 |

### CODE EXEMPTION DESCRIPTION

- 01E – Interest and Dividends on U.S. Government Obligations** – Enter the amount of interest and dividends received from U.S. government obligations that are included in the amount on Line 1 of Schedule E. Include amounts received from mutual funds which are identified as income from investments in U.S. government obligations. If the amount is not identified specifically, it is taxable and cannot be excluded.
- 02E – Louisiana State Employees' Retirement Benefits** – Enter the amount of retirement benefits received from the Louisiana State Employees' Retirement System. This amount should be included in the amount on Schedule E, Line 1. Indicate the month and year that you or your spouse retired in the appropriate space.
- 03E – Louisiana State Teachers' Retirement Benefits** – Enter the amount of retirement benefits received from the Louisiana State Teachers' Retirement System. This amount should be included in the amount on Schedule E, Line 1. Indicate the month and year that you or your spouse retired in the appropriate space.
- 04E – Federal Retirement Benefits** – Enter the amount of retirement benefits received from a Federal Retirement System, including benefits received from a military survivor benefit plan. This amount should be included in the amount on Schedule E, Line 1. Indicate the month and year that you or your spouse retired in the appropriate space.

### CODE CREDIT DESCRIPTION

**05E – Other Retirement Benefits** – Enter the amount of retirement benefits received from any retirement systems whose benefits are specifically exempted by law from Louisiana income tax. This includes retirement systems for school employees, State Police, municipal employees and police, parochial employees, firefighters, Assessors, Clerks of Court, District Attorneys, Registrars of Voters, Sheriffs, and certain local retirement systems. In the space provided, enter the name of the retirement system or the statutory citation exempting these benefits from Louisiana income tax. A list of the eligible retirement systems and their statutory citations can be found at <https://revenue.louisiana.gov/tax-education-and-faqs/faqs/individual-income-tax/>. This amount should be included in the amount on Schedule E, Line 1. Indicate the month and year that you or your spouse retired in the appropriate space. You must attach a copy of your 1099-R(s) to your return.

**06E – Annual Retirement Income Exemption for Taxpayers 65 Years of Age or Older** – Up to \$12,000 of your annual retirement income may be exempted from state taxation if your filing status is single, head of household, married filing separately, or qualifying surviving spouse, and you are 65 years of age or older. If your filing status is **married filing jointly**, both you and your spouse are age 65 years or older, and each of you received annual retirement income, up to \$12,000 of the annual retirement income that each taxpayer receives may be exempt from state taxation. "Annual retirement income" that is taxable to Louisiana is any distributions from a pension, an annuity, or an individual retirement arrangement (IRA) that you receive and report on Federal Form 1040 or 1040-SR, Lines 4b and 5b. Do not include retirement benefits that are coded as 02E, 03E, 04E, or 05E. Enter the name of the payor on the line provided.

If your filing status is single, head of household, married filing separately, or qualifying surviving spouse, determine the exempt amount that should be entered for code 06E by completing the **FIRST COLUMN** of the worksheet provided below.

If your filing status is married filing jointly, determine the exempt amount that should be entered for code 06E by completing **BOTH COLUMNS** of the worksheet provided below.

| Worksheet for Code 06E   | Taxpayer | Spouse   |
|--|----------|----------|
| 1. Enter retirement income you received and reported on Federal Form 1040 or 1040-SR, Lines 4b and 5b. Enter taxpayer's amount on Line 1(a) and enter spouse's amount on Line 1(b).  | a.       | b.       |
| 2. Enter retirement income you received and reported as codes 02E, 03E, 04E, and 05E of Schedule E. Enter taxpayer's amount on Line 2(a) and enter spouse's amount on Line 2(b).   |          |          |
| 3. Subtract Line 2 from Line 1.  |          |          |
| 4. Maximum exemption for individuals 65 or older   | \$12,000 | \$12,000 |
| 5. For each taxpayer 65 or older, enter the amount from Line 3 or Line 4, whichever is less.   |          |          |
| 6. If your filing status is single, head of household, married filing separately, or qualifying surviving spouse, enter the amount from Line 5(a) above on Schedule E and code as 06E. If your filing status is married filing jointly, add the amounts on Lines 5(a) and 5(b) above and enter the result on Schedule E and code as 06E. |          |          |

**07E – Taxable Amount of Social Security** – Social security benefits that are taxed on your federal return are exempt from Louisiana tax. Enter the amount shown on your Federal Form 1040 or 1040-SR, Line 6b.

# Instructions for Adjustments to Income, Schedule E ...Continued

| CODE | EXEMPTION DESCRIPTION   | CODE | EXEMPTION DESCRIPTION   |
|------|---|------|---|
| 08E  | <p><b>Native American Income</b> – LAC 61:I.1303 provides that income derived from sources <b>on the reservation</b> that have been earned or received by an enrolled member of a federally recognized Indian tribe who resides on that tribe's reservation shall be exempted from Louisiana individual income tax. The income derived from sources <b>outside of the reservation, including sources outside of Louisiana</b>, that have been earned or received by an enrolled member of a federally recognized Indian tribe residing on that tribe's reservation is taxable for Louisiana individual income tax purposes. Income earned by a member of a federally recognized tribe residing off of the tribe's reservation in Louisiana is taxable regardless of the income source. Additionally, an enrolled member of a federally recognized Indian tribe who resides on the reservation for a portion of the year and resides off the reservation for a portion of the year is taxed based on where the enrolled member resided when the income was earned.</p> |      | <p>with the taxpayer's name and the applicable tax year, a lifetime membership card, or a copy of the departmental personnel roster for the State Fire Marshal's Volunteer Fireman's Insurance Program and a certificate or other document provided to the taxpayer noting the date of the training, the topic covered, the duration of the training, and name and contact information of the person providing the training to support the continuing education requirements.</p>   |
| 09E  | <p><b>START Savings Program Contributions</b> – La. R.S. 47:293(9)(a)(vi) provides that any Louisiana Student Tuition Assistance and Revenue Trust (START) account holders with a filing status of single, married filing separately, head of household, and qualifying surviving spouse can exempt up to \$2,400 per beneficiary from Louisiana taxable income. Account holders with a filing status of married filing jointly can exempt up to \$4,800 per beneficiary from Louisiana taxable income. In certain situations, the exemption amount can be doubled. See Revenue Information Bulletin 06-003 on LDR's website. The exemption for amounts contributed to a START K12 account is reported using code 28E.</p>  | 16E  | <p><b>Voluntary Retrofit Residential Structure</b> – La. R.S. 47:293(9)(a)(xiii) provides an exclusion for a taxpayer who voluntarily retrofits an existing residential structure on which the homestead exemption is claimed for ad valorem tax purposes and the structure is not rental property. The exclusion is for 50 percent of the cost paid or incurred on or after January 1, 2007, less the value of any other state, municipal, or federally sponsored financial incentives and is limited to \$5,000 per retrofitted residential structure. To qualify, the voluntary retrofitting must not be a construction, reconstruction, alteration, or repair of an existing residential structure and must comply with the State Uniform Construction Code. See Revenue Information Bulletin 09-007 and 23-028 for more information.</p>   |
| 10E  | <p><b>Military Pay Exclusion</b> – La. R.S. 47:293(9)(e) provides an exclusion to Louisiana residents who were on active duty in the U.S. armed forces for 120 or more consecutive days. The exempt portion is the compensation earned outside of Louisiana during and after 120 plus consecutive days of active duty, up to \$50,000. Example: If on January 15, 2025, you went on active duty and continuously remained on active duty at least through May 14, 2025, (120 days) during which you served 40 days in Louisiana and the remainder outside of Louisiana, income from the 41st day forward is exempt, up to \$50,000, once you have served more than 120 consecutive days. Retain a copy of your official orders, including endorsements that establish your 120 plus consecutive days of active duty with your 2025 return. If filing electronically, bring a copy of your orders including endorsements to your tax preparer.</p>   | 17E  | <p><b>Elementary and Secondary School Tuition</b> – La. R.S. 47:297.10 provides a deduction for expenses paid for your qualified dependent's enrollment in a nonpublic elementary or secondary school or any public elementary or secondary laboratory school operated by a public college or university. Expenses paid with amounts deducted as START K12 Savings Program Contributions (Code 28E) are not eligible for this deduction. The dependent must be claimed on your 2025 return or must have been claimed on your 2024 return. To calculate the amount of the deduction, use the 2025 Louisiana School Expense Deduction Worksheet.</p>  |
| 11E  | <p><b>Road Home</b> – La. R.S. 47:293(9)(a)(i) provides that any grant, loan, or other benefit directly or indirectly provided to a taxpayer by the Disaster Recovery Unit of the Office of Community Development shall be excluded if the income was included in the taxpayer's Federal AGI. Benefits may include payments from Restore Louisiana for recovery from the Great Flood of 2016. This amount should be included in the amount on Schedule E, Line 1.</p>   | 18E  | <p><b>Educational Expenses for Home-Schooled Children</b> – La. R.S. 47:297.11 provides a deduction for expenses paid for home-schooling your qualified dependent. Expenses paid with amounts deducted as START K12 Savings Program Contributions (Code 28E) are not eligible for this deduction. The dependent must be claimed on your 2025 return or must have been claimed on your 2024 return. To calculate the amount of the deduction, use the 2025 Louisiana School Expense Deduction Worksheet.</p>   |
| 13E  | <p><b>Recreation Volunteer</b> – La. R.S. 47:293(9)(a)(xii) provides an exclusion of \$500 per tax year for individuals who volunteer for recreation departments. To qualify for this exclusion, the taxpayer must serve as a volunteer for 30 or more hours during the taxable year and must be registered as a volunteer with a recreation department operated by the state of Louisiana or a political subdivision of the state. The recreation department must certify that the taxpayer served as a volunteer and was not compensated for their services.</p>  | 19E  | <p><b>Educational Expenses for a Quality Public Education</b> – La. R.S. 47:297.12 provides a deduction for expenses paid for a quality education for your qualified dependent's enrollment in a public elementary or secondary school. Expenses paid with amounts deducted as START K12 Savings Program Contributions (Code 28E) are not eligible for this deduction. The dependent must be claimed on your 2025 return or must have been claimed on your 2024 return. To calculate the amount of the deduction, use the 2025 Louisiana School Expense Deduction Worksheet.</p>  |
| 14E  | <p><b>Volunteer Firefighter</b> – La. R.S. 47:293(9)(a)(xii) provides an exclusion of \$500 per tax year for individuals who serve as volunteer firefighters. To qualify for this exclusion, the taxpayer must complete 24 hours of continuing education and be an active member of the Louisiana State Fireman's Association or on the departmental personnel roster for the State Fire Marshal's Volunteer Fireman's Insurance Program. To substantiate the exclusion, a taxpayer should retain either a membership card</p>  | 20E  | <p><b>Capital Gain from Sale of Louisiana Business</b> – La. R.S. 47:293(9)(a)(xvii) provides a deduction for net capital gains resulting from the sale or exchange of an equity interest or from the sale or exchange of substantially all of the assets of a nonpublicly traded corporation, partnership, limited liability company, or other organization commercially domiciled in Louisiana. To qualify for the deduction, the taxpayer must have held the business for a minimum of five years immediately prior to the sale or exchange. This deduction is limited to those with installment and perfected sales prior to January 1, 2025. See LAC 61:I.1312 and Form R-6180, <i>Net Capital Gains Deduction Worksheet</i>, for more information and documentation required to be attached to your return. This amount should be included in the amount on Schedule E, Line 1. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:I.1312.</p> |



# Instructions for Adjustments to Income, Schedule E ...Continued

| CODE   | CREDIT DESCRIPTION | CODE  | CREDIT DESCRIPTION  |
|--|--------------------|---|---|
| <b>21E – Employment of Certain Qualified Disabled Individuals</b> – La. R.S. 47:297.13 provides a deduction for a taxpayer who provides continuous employment to a qualified individual with a disability within this state. Form R-10605, <i>Application for Deduction for Employment of Certain Qualified Disabled Individuals</i> , must be attached to your return.  |                    |   | Assistance and Revenue Trust K-12 (START K12) account holders with a filing status of single, married filing separately, head of household, and qualifying surviving spouse can exempt up to \$1,200 per beneficiary from Louisiana taxable income. Account holders with a filing status of married filing jointly can exempt up to \$2,400 per beneficiary from Louisiana taxable income. See Revenue Information Bulletin 22-016 on LDR's website. Amounts deducted that are used to pay costs associated with a student's enrollment in a school or home-schooled are not eligible for the deductions authorized pursuant to La. R.S. 47:297.10, 297.11, and 297.12. |
| <b>22E – S Bank Shareholder Income Exclusion</b> – La. R.S. 47:297.3 provides an exclusion for an S Bank shareholder for the portion of the income reported by an S Bank on Federal Form 1120S, Schedule K-1, or the portion of the income reported by an S Bank on an equivalent document, which is attributable to the net earnings used to compute the S Bank's shares tax as provided in La. R.S. 47:1967. Attach a copy of Schedule K-1 as documentation for the amount excluded. The exclusion is only allowed if the entity did not make the pass-through entity tax election under La. R.S. 47:287.732.2. This amount should be included in the amount on Schedule E, Line 1.  |                    | <b>29E – Digital Nomad</b> – La. R.S. 47:293(9)(a)(xxii) and 47:297.18 provides that an individual who meets the requirement of a digital nomad is allowed to exclude 50 percent of their gross wages, not to exceed \$150,000. The exemption only applies to gross wages resulting from services performed as a digital nomad and earned from remote work. To qualify as a digital nomad, the individual must establish residency in Louisiana after December 31, 2021, meet other requirements, and apply to LDR to be certificated as a digital nomad. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:1.1357.   |   |
| <b>23E – Entity-Level Taxes Paid to Other States</b> – La. R.S. 47:33(6) provides a deduction for an individual partner, member, or shareholder's proportionate share of an entity-level tax paid to other states that is based solely upon net income included in the entity's federal taxable income without any capital component. The deduction is for the taxpayer's share of the tax paid during 2025 and is limited to the extent that the proportionate share of the related income is or was taxed by Louisiana. The deduction is only allowed if the entity did not make the pass-through entity tax election under La. R.S. 47:287.732.2. You cannot take both this deduction and the credit for tax liabilities paid to other state on Schedule C for the same taxes paid. Proof of payment to the other state and copy of the returns filed with the other states must be attached to your return.  |                    | <b>30E – Certain Adoptions</b> – Only one deduction is allowed per child. The deduction is taken the year in which the adoption becomes final. La. R.S. 47:297.20 provides a deduction of \$5,000 for a taxpayer who adopts a child who is in foster care, as defined in Children's Code Article 603, or a youth receiving extended foster care services pursuant to the Extended Foster Care Program Act. Attach a copy of the letter you received from DCFS certifying your eligibility.  |   |
| <b>24E – Pass-Through Entity Exclusion</b> – La. R.S. 47:297.14 provides for an exclusion for an individual who is a shareholder, member, or partner of an entity that made the pass-through entity tax election under La. R.S. 47:287.732.2. This election allows S corporations and other entities taxed as partnerships for federal income tax purposes to pay Louisiana income tax at the entity level. The entity must have received LDR's approval of the election. See Revenue Information Bulletin 19-019 and LAC 61:1.1001(C)(4) for more information. You must attach a copy of Form R-6981, <i>Louisiana Statement of Owner's Share of Entity Level Tax Items</i> , and a pro forma Federal Form 1040 that excludes any income, deductions, or other tax items that were included in the calculation of Louisiana net income on the entity's Louisiana Form CIT-620. The amount that you can exclude is the difference in Federal AGI calculated on your Federal Form 1040 and the pro forma Federal Form 1040. If the difference is a loss, the loss must be added to your Federal AGI on Line 2D. This amount should be included in the amount on Schedule E, Line 1. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:1.1001. |                    | Louisiana Revised Statute 47:297.21 provides a deduction of \$5,000 for a taxpayer who adopts an unrelated infant who is less than one year of age through a private agency, as defined in Children's Code Article 1169(1), or through an attorney. The age of the infant is determined at the time of the adoption placement. You cannot take both this deduction and the credit for adoption of unrelated infant on Schedule F for the adoption of the same child. Attach a copy of the adoption order or decree and a letter from the private agency or attorney stating the date of placement.  |   |
| <b>27E – COVID-19 Relief Benefits</b> – La. R.S. 47:293(9)(a)(xx) provides an exemption for any gratuitous grant, loan, rebate, tax credit, advance refund, or other qualified disaster relief benefit provided directly or indirectly by the state or federal government as a COVID-19 relief benefit if the income was included in the taxpayer's Federal AGI. Benefits may include payments from the Louisiana Main Street Recovery Fund and the Frontline Workers COVID-19 Hazard Pay Rebate Program. See Revenue Information Bulletin 21-019 and Revenue Ruling 22-002. Attach a schedule detailing the source and amount of the excluded benefits and a copy of the Federal Form 1040. This amount should be included in the amount on Schedule E, Line 1.   |                    | Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:1.1927 and 1929.  |   |
| <b>28E – START K12 Savings Program Contributions</b> – La. R.S. 47:293(9)(a)(xxv) provides that any Louisiana Student Tuition  |                    | <b>31E – Louisiana Fortify Homes Program Grants</b> – La. R.S. 47:293(9)(a)(xxvii) provides an exclusion of grants received from the Louisiana Fortify Homes Program pursuant to La. R.S. 22:1483.1. See Revenue Information Bulletin 25-020.   |   |
|  |                    | <b>32E – Bonus Depreciation</b> – La. R.S. 47:297.25 allows businesses to elect a bonus depreciation deduction, also known as full expensing, for qualified property placed in service during the tax year. This election permits you to deduct 100% of the cost of qualified property on your Louisiana return in the year the property is placed in service. Use this code to report the bonus depreciation amount that exceeds the depreciation claimed on your federal return. For this deduction, "qualified property" and "qualified improvement property" have the same meanings as those defined by Sections 168(k) and 168(e)(6) of the Internal Revenue Code, respectively, as in effect on January 1, 2024. The term "research and experimental expenditures" is defined as in Section 174 of the Internal Revenue Code, effective as of January 1, 2024. For more information, see Revenue Information Bulletin 25-012. Form R-90158, <i>Bonus Depreciation Schedule</i> , must be attached to your return. |   |

## Instructions for Adjustments to Income, Schedule E ...Continued

| CODE               | CREDIT DESCRIPTION   | CODE | CREDIT DESCRIPTION  |
|--------------------|--|------|---|
| <b>49E – Other</b> | On a separate schedule, list the source and amount of other income included in Schedule E, Line 1, which Louisiana cannot tax. You must attach copies of supporting documentation in order to verify the exemption claimed on this line. Do not list income earned in another state. Residents of Louisiana are taxed on all income, regardless of where the income was earned. Credit for taxes paid to other states may be deducted on Nonrefundable Priority 1 Credits, Schedule C, Line 1. Nonresidents must use Form IT-540B to determine their Louisiana tax. Part-year residents have the option to file a resident or nonresident return, whichever is more beneficial. Nonresident professional athletes must electronically file Form IT-540B and Schedules NRPA-1 and NRPA-2. Disabled individuals claiming an exemption under La. R.S. 47:59.1 for making adaptations to their home should |      | use this code to deduct the expenses from their gross income. Persons receiving disability income (La. R.S. 47:44.1(B)) for a permanent, total disability may exclude up to \$6,000 of annual disability income from their taxable income. See Revenue Ruling 11-001 if you have any Build America Bonds. |
|                    |  |      | <b>Note:</b> Depletion deduction is limited to the amount of federal depletion. Louisiana does not have a provision that allows excess depletion on individual income tax.  |
|                    |  |      | <b>Line 4H –</b> Add Lines 4A through 4G.   |
|                    |  |      | <b>Line 5 –</b> Subtract Line 4H from Line 3. Enter the result here and on Form IT-540, Line 7. Mark an "X" in the box on Form IT-540, Line 7, indicating that Schedule E was used. If the amount is less than zero, enter zero "0."  |

## Instructions for Refundable Priority 2 Credits, Schedule F

### Refundable Priority 2 Credits, Lines 1 through 5 –

Refundable credits available for the tax year ending December 31, 2025, are referenced individually by a three-digit code. Please enter the credit description, identifying code, and the dollar amount claimed in the appropriate spaces on Lines 1 through 5.

**NOTE: Use only the codes referenced in the table on Schedule F. The codes listed here are not interchangeable with other codes listed on other schedules.**

Example:

| Credit Description                              | Code  | Amount of Credit Claimed |
|---|-------|--------------------------|
| School Readiness Child Care Directors and Staff | 6 6 F | 4 0 0 . 00               |

**Line 5A –** If you are claiming the School Readiness Child Care Directors and Staff credit (code 66F), you must enter the facility license number from Form R-10615, *Louisiana School Readiness Tax Credit For Child Care Director and Staff Member*, on Line 5A. Failure to do so will result in processing delays.

### Transferable, Refundable Priority 2 Credits, Lines 6 through 8

–Complete Lines 6 through 8 if you are claiming the Musical and Theatrical Production credit. For Lines 6A, 7A, and 8A, enter the LDR State Certification Number from Form R-6135 for the credit claimed on Lines 6, 7, and 8 respectively. See Revenue Information Bulletin 17-008 for claiming a purchased transferable tax credit.

**Line 9 –** Add Lines 1 through 8. Also, enter the amount on Form IT-540, Line 17.

| CODE   | CREDIT DESCRIPTION  | CODE | CREDIT DESCRIPTION  |
|--|---|------|---|
| <b>52F – Ad Valorem Offshore Vessels</b>                     | La. R.S. 47:6006.1 allows a refundable credit for 100 percent of the ad valorem taxes paid on vessels in Outer Continental Shelf Lands Act Waters. Copies of the tax assessment, the canceled check in payment of the tax, and a completed Form LAT 11A from the Louisiana Tax Commission must be attached to the return.   |      |   |
| <b>54F – Telephone Company Property</b>                      | La. R.S. 47:6014 allows a refundable credit for up to 40 percent of the ad valorem taxes paid to Louisiana political subdivisions by a telephone company with respect to that company's public service properties located in Louisiana. The credit may be passed through to individuals who are shareholders or members of certain legal entities. See the Pass-Through Entity Tax Election note under General Information Regarding Tax Credits. See Revenue Information Bulletin 01-004 on LDR's website. Copies of the tax assessment, the canceled check in payment of the tax, and a schedule stating which entity paid the tax and obtained the credit on the taxpayer's behalf must be attached. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to   |      |   |
|  |   |      | the taxpayer's failure to provide information or documentation required by LAC 61:1.1905. |
| <b>58F – Milk Producers</b>                                  | La. R.S. 47:6032 allows a refundable credit for a resident taxpayer engaged in the business of producing milk for sale. Those milk producers that have obtained permits under Louisiana Administrative Code, Title 51, and have met the requirements of the Food and Drug Administration shall be certified by the Louisiana Department of Health to receive the credit. For more information, see Revenue Information Bulletin 08-014 on LDR's website.  |      |   |
| <b>59F – Technology Commercialization</b>                    | This credit is no longer available because Act 5 of the 2024 Third Extraordinary Legislative Session ended the credit effective December 31, 2024. If you have an eligible carryover amount, use this code to utilize the carryover amount against income tax for any years you have remaining in your 20 year carryover period.  |      |   |
| <b>62F – Musical and Theatrical Production</b>               | La. R.S. 47:6034 allows a refundable credit for the production expenses, transportation costs, employment of college and vocational-technical students, employment of residents, and for the construction, repair, or renovation of facilities related to the live performance industry. 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. This credit can only be claimed on Lines 6 through 8.   |      |   |
| <b>65F – School Readiness Child Care Provider</b>            | La. R.S. 47:6105 allows a refundable credit for a child care provider who operates a facility or facilities where care is given to foster children in the custody of the Louisiana Department of Children and Family Services or to children who participate in the Child Care Assistance Program administered by the Louisiana Department of Education (LDE). The credit is based on the average monthly number of children who attended the facility multiplied by an amount based on the quality rating of the child care facility. A copy of the certification from the Department of Education and any applicable K-1 must be attached to the return. For more information regarding this credit, contact LDE. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:1.1903. |      |   |
| <b>66F – School Readiness Child Care Directors and Staff</b> | La. R.S. 47:6106 allows a refundable credit for eligible child care directors and eligible child care staff. 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. The tax credit is based on certain attained qualifications for directors and staff members. The credit amount   |      |   |

# Instructions for Refundable Priority 2 Credits, Schedule F ...Continued

| CODE  | CREDIT DESCRIPTION   | CODE  | CREDIT DESCRIPTION   |
|---|--|---|--|
|   | is variable, and the 2025 amount is posted at <a href="https://revenue.louisiana.gov/individuals/general-resources/school-readiness-credit/">https://revenue.louisiana.gov/individuals/general-resources/school-readiness-credit/</a> . For more information regarding this credit, contact the Louisiana Department of Education. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:I.1903.   | <b>77F – Funeral and Burial Expense for a Pregnancy-Related Death</b> | – La. R.S. 47:297.22 allows a refundable credit for the reasonable funeral and burial expenses associated with the pregnancy-related death of a person. A “pregnancy-related death” means the death of a Louisiana resident while pregnant, during labor and delivery, or within one year after childbirth from a pregnancy complication, a chain of events initiated by the pregnancy, or the aggravation of an unrelated condition by the normal effects of the pregnancy. The credit may be claimed by the estate of the deceased on the deceased person's return or the estate's return and if not, then by the individual who actually paid the funeral and burial expense. The credit is equal to the actual reasonable funeral and burial expenses paid or \$5,000, whichever is less, and is claimed for the year in which the death occurred. Reasonable funeral and burial expenses include costs and fees associated with transportation of the remains, embalming or cremation services, caskets, plots, grave markers, or headstones, funeral home facility and staff services, and other related professional services. It does not include costs and fees associated with flowers, vaults, or urns. A copy of the death certificate, a schedule listing the expenses paid, and copies of the receipts must be attached to the return. |
| <b>67F – School Readiness Business-Supported Child Care</b>                     | – La. R.S. 47:6107 allows a refundable credit for a taxpayer who incurs eligible business-supported child care expenses. The percentage of eligible expenses allowed for the credit depends on the quality rating of the child care facility to which the expenses are related or the quality rating of the child care facility that the child attends. You must attach copies of canceled checks, receipts, and other documentation containing the following information: the name and Louisiana revenue tax identification number of the child care facility to or for whom the eligible expenses were paid or made, the amount and nature of qualifying expenses at each child care facility as defined in La. R.S. 47:6102, and the child care facility's quality rating. For more information regarding this credit, contact the Louisiana Department of Education. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:I.1903. | <b>78F – Adoption of Unrelated Infant</b>                             | – La. R.S. 47:297.23 allows a refundable credit of \$5,000 for the adoption of a child who is unrelated to the taxpayer and who is less than three years of age. An adoption of an infant from foster care does not qualify for the credit. The credit is taken for the year in which the adoption becomes final. You cannot take both this credit and the deduction for certain adoptions on Schedule E for the adoption of the same child. Attach a copy of the adoption order or decree and a letter from the private agency or attorney stating the date of placement. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:I.1931.   |
| <b>68F – School Readiness Fees and Grants to Resource and Referral Agencies</b> | – La. R.S. 47:6107 allows a refundable credit for a taxpayer whose business pays fees and grants to child care resource and referral agencies. The credit cannot exceed \$5,000 per tax year. Attach a copy of the receipt from the child care resource or referral agency and if applicable, a copy of the Schedule K-1 from the entity that made the donation to substantiate any credit earned from a pass-through entity. For more information regarding this credit, contact the Louisiana Department of Education. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:I.1903.   | <b>79F – Restaurant Recycling of Oyster Shells</b>                    | – La. R.S. 47:6043 allows a refundable credit for restaurants that donate oyster shells for use in benefitting the environment. The credit is equal to \$1 per 50 pounds of oyster shell material donated or \$2,000 per restaurant, whichever is less. To qualify, the oyster shells must be donated to the Oyster Shell Recycling Program of the Coalition to Restore Coastal Louisiana or any other oyster shell recycling program or activity designated as an approved program or activity by the department. The amount of credits granted by the Department of Revenue is capped at \$100,000 per calendar year. See LAC 61:I.1933 for more information and attach Form R- 90154, <i>Receipt for Restaurant Oyster Shell Recycling Credit</i> , to your return. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:I.1933.   |
| <b>70F – Retention and Modernization</b>  | – La. R.S. 51:2399.1 et seq. allows a refundable credit for an employer who incurs qualified expenditures to modernize existing operations in Louisiana to retain the business in the state. 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. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by statute.  | <b>80F – Other Refundable Credit</b>                                  | – Reserved for future credits  |
| <b>73F – Digital Interactive Media &amp; Software</b>                           | – La. R.S. 47:6022 allows a refundable credit to individuals for the investment in businesses specializing in digital interactive media and software. 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. See Revenue Information Bulletin 12-017 on LDR's website.   |   |  |
| <b>76F – Stillborn Child</b>  | – La. R.S. 47:297.19 allows a refundable credit for an individual who experienced a pregnancy loss resulting in spontaneous fetal death (also referred to as stillbirth). The credit is equal to \$2,000 and is claimed for the year in which the stillbirth occurred. The credit can only be claimed on the return of the person listed on the fetal death certificate as the mother. A copy of the certified fetal death certificate must be attached to the return.   |   |  |



## Instructions for Refundable Priority 4 Credits, Schedule I

### Refundable Priority 4 Credits, Lines 1 through 5 –

Additional refundable credits available for the tax year ending December 31, 2025, are referenced individually by a three-digit code. Please enter the credit description, identifying code, and the dollar amount claimed in the appropriate spaces on Lines 1 through 5.

**NOTE: Use only the codes referenced in the table on Schedule I. The codes listed here are not interchangeable with other codes listed on other schedules.**

Example:

| Credit Description | Code  | Amount of Credit Claimed |
|--------------------|-------|--------------------------|
| Inventory Tax      | 5 0 F | 5 0 0 . 00               |

**Line 6** – Add Lines 1 through 5. Also, enter the amount on Form IT-540, Line 26.

| CODE | CREDIT DESCRIPTION |
|------|--------------------|
|------|--------------------|

**50F – Inventory Tax** – La. R.S. 47:6006 allows a credit for ad valorem taxes paid to political subdivisions in Louisiana on inventory held by manufacturers, distributors, or retailers. For purposes of the limitations on refundability, members included in a consolidated federal tax return will be treated as one taxpayer. If the total amount eligible for the credit is less than or equal to \$500,000, 100 percent of any excess credit is refundable, and for total eligible amounts above \$500,000, 75 percent of any excess credit up to a maximum of \$750,000 is refundable. For businesses formed or first registered to do business in Louisiana after April 15, 2016, if the total amount eligible for the credit is less than \$10,000, 100 percent of any excess credit is refundable, and for total eligible amounts of \$10,000 or more, 75 percent of any excess credit

| CODE | CREDIT DESCRIPTION |
|------|--------------------|
|------|--------------------|

up to a maximum of \$750,000 is refundable. Copies of the tax assessment and the canceled check in payment of the tax must be attached. The inventory tax credit is nonrefundable for taxes paid on inventory by any manufacturer who claimed the property tax exemption under the Industrial Tax Exemption program (ITEP) during the same year the inventory taxes were paid. You must attach Form R-10610, *Schedule of Ad Valorem Tax Credit Claimed by Manufacturers, Distributors, and Retailers*, to your return. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:1.1902.

**51F – Ad Valorem Natural Gas** – La. R.S. 47:6006 allows a credit for ad valorem taxes paid to political subdivisions in Louisiana on natural gas held, used, or consumed in providing natural gas storage services or operating natural gas storage facilities. For purposes of the limitations on refundability, members included in a consolidated federal tax return will be treated as one taxpayer. If the total amount eligible for the credit is less than or equal to \$500,000, 100 percent of any excess credit is refundable, and for total eligible amounts above \$500,000, 75 percent of any excess credit up to a maximum of \$750,000 is refundable. For businesses formed or first registered to do business in Louisiana after April 15, 2016, if the total amount eligible for the credit is less than \$10,000, 100 percent of any excess credit is refundable, and for total eligible amounts of \$10,000 or more, 75 percent of any excess credit up to a maximum of \$750,000 is refundable. You must attach Form R-10610, *Schedule of Ad Valorem Tax Credit Claimed by Manufacturers, Distributors, and Retailers*, to your return.

## Instructions for Nonrefundable Priority 3 Credits, Schedule J

### NONREFUNDABLE CHILD CARE CREDITS

**Line 1** – If you have claimed a Federal Child Care Credit on Federal Form 1040 or 1040-SR, Schedule 3, Line 2, enter the amount.

**Line 2** – Enter the amount of your 2025 Louisiana Nonrefundable Child Care Credit from the Louisiana Nonrefundable Child Care Credit Worksheet. This worksheet must be attached to your return. **Your Federal Adjusted Gross Income must be greater than \$25,000 to claim this credit.** See the Louisiana Child Care Credit instructions.

**Line 3** – Enter the amount of your Louisiana Nonrefundable Child Care Credit carried forward from 2020 through 2024. The amount of your 2019 Nonrefundable Child Care Credit Carryforward cannot be included in this amount. To determine the carry forward amount, use the Louisiana Nonrefundable Child Care Credit Worksheet.

**Line 4** – Enter the amount of your Louisiana Nonrefundable School Readiness Credit. **Your Federal Adjusted Gross Income must be greater than \$25,000 to claim this credit.** The amount is determined from your Nonrefundable School Readiness Credit Worksheet. This worksheet must be attached to your return. In the boxes under Line 4, enter the number of your qualified dependents who attended the associated star rated facility or facilities.

**Line 5** – Enter the amount of your Louisiana Nonrefundable School Readiness Credit carried forward from 2020 through 2024. The amount of your 2019 Nonrefundable School Readiness Credit Carryforward cannot be included in this amount. To determine the carry forward amount, use the Louisiana Nonrefundable School Readiness Credit Worksheet.

**Additional Nonrefundable Priority 3 Credits, Lines 6 through 11** – Additional nonrefundable credits available for the tax year ending December 31, 2025, are referenced individually by a three-digit code. Please enter the credit description, identifying code and the dollar amount claimed in the appropriate spaces on Lines 6 through 11.

**Transferable, Nonrefundable Priority 3 Credits, Lines 12 through 15** – Complete Lines 12 through 15 if you are claiming a transferable credit. For Lines 12A, 13A, 14A, and 15A, enter the State Certification

Number from Form R-6135 for credits claimed on Lines 12 through 15 respectively. See Revenue Information Bulletin 17-008 for claiming a purchased transferable tax credit.

**NOTE: Use only the codes referenced in the table on Schedule J. The codes listed here are not interchangeable with other codes listed on other schedules.**

Example:

| Credit Description                   | Code  | Amount of Credit Claimed |
|--------------------------------------|-------|--------------------------|
| Inventory Tax Credit Carried Forward | 5 0 0 | 7 2 0 . 00               |

**Line 16** – Add Lines 2 through 15. Also, enter the amount on Form IT-540, Line 21.

| CODE | CREDIT DESCRIPTION |
|------|--------------------|
|------|--------------------|

**202 – Organ Donation** – This credit is no longer available because Act 403 of the 2017 Regular Legislative Session ended the credit effective December 31, 2019. If you have an eligible carryover amount, use this code to utilize the carryover amount for any years you have remaining in your ten (10) year carryover period.

**251 – Motion Picture Investment** – La. R.S. 47:6007(C)(1) provides a credit for an individual taxpayer residing in Louisiana who invests in a state-certified motion picture production. Taxpayers taking this credit may attach Form R-10611, *Motion Picture Investment Tax Credit Schedule*, as documentation for this credit. You must certify certain requirements in order to use the credit. See RIB 23-023 for more information, and attach Form R-90150, *Taxpayer Certification of Compliance of Tax Obligations for the Motion Picture Production Credit*, to your return. For information on the cap, see <https://revenue.louisiana.gov/tax-policy/general-resources/credit-caps>. This credit can only be claimed on Lines 12 through 15.

# Instructions for Nonrefundable Priority 3 Credits, Schedule J ...Continued

| CODE  | CREDIT DESCRIPTION  | CODE  | CREDIT DESCRIPTION  |
|-------|---|-------|---|
| 252 – | <b>Research and Development</b> – La. R.S. 47:6015 provides a credit for any taxpayer who earned the credit based on participation in the Small Business Technology Transfer or the Small Business Innovation Research Grant program. This credit can only be claimed on Lines 12 through 15.   |       | shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by statute.  |
| 253 – | <b>Historic Structures</b> – La. R.S. 47:6019 provides a credit if the taxpayer incurs certain expenses during the rehabilitation of a historic structure that is located in either a downtown development or a cultural district, or a historic structure contributing to the National Register of Historic Places. Refer to Revenue Information Bulletin 14-007 and 14-007A on LDR's website. This credit can only be claimed on Lines 12 through 15.   | 454 – | <b>QMC Music Job Creation Credit</b> – La. R.S. 47:6023 provides a credit to a Qualifying Music Company (QMC) that is a music publisher, sound recording studio, booking agent, or artist management that is engaged directly or indirectly in the production, distribution, and promotion of music. 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. The credit is limited to 50 percent of the taxpayer's tax liability.  |
| 257 – | <b>Capital Company</b> – La. R.S. 51:1924 provides a credit for any person who invests in a certified Louisiana Capital Company. This credit must be approved by the Commissioner of the Louisiana Office of Financial Institutions. A copy of the certification must be attached to the return. This credit can only be claimed on Lines 12 through 15.  | 457 – | <b>Neighborhood Assistance</b> – La. R.S. 47:35 and 47:287.753 provide a credit for an entity engaged in the activities of providing neighborhood assistance, job training, education for individuals, community services, or crime prevention in Louisiana. The credit is up to 50 percent of the amount contributed and cannot exceed \$180,000.  |
| 258 – | <b>LA Community Development Financial Institution (LCDFI)</b> – This credit is no longer available because Act 5 of the 2024 Third Extraordinary Legislative Session ended the credit effective December 31, 2024. If you have an eligible carryover amount, use this code to utilize the carryover amount against income tax for any carryover period.   | 458 – | <b>Research and Development</b> – La. R.S. 47:6015(K) provides a credit for any taxpayer who claims a federal income tax credit under 26 U.S.C. §41(a) for increasing research activities or for a taxpayer who employs fewer than 50 employees and who meets the requirements of La. R.S. 47:6015(B)(3)(i). Beginning with the 2018 tax year, credits earned based upon participation in the Small Business Technology Transfer program or the Small Business Innovative Research Grant program should be claimed using credit code 252. The credit is obtained through the Louisiana Department of Economic Development, and documentation from that agency must be attached to the return. See Revenue Information Bulletin 15-019 on LDR's website.   |
| 261 – | <b>Motion Picture Infrastructure</b> – La. R.S. 47:6007(C)(2) provides a credit for an approved state-certified infrastructure project for a film, video, television, or digital production or postproduction facility. 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. You must certify certain requirements in order to use the credit. See RIB 23-023 for more information and attach Form R-90150, <i>Taxpayer Certification of Compliance of Tax Obligations for the Motion Picture Production Credit</i> , to your return. For information on the cap, see <a href="https://revenue.louisiana.gov/tax-policy/general-resources/credit-caps">https://revenue.louisiana.gov/tax-policy/general-resources/credit-caps</a> . This credit can only be claimed on Lines 12 through 15. | 459 – | <b>Ports of Louisiana Import Export Cargo</b> – La. R.S. 47:6036(I) provides a credit to individuals to encourage the use of state port facilities in Louisiana. The credit is based on the number of tons of qualified cargo imported and exported from or to manufacturing, fabrication, assembly, distribution, processing, or warehousing facilities located in the state. 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.   |
| 262 – | <b>Angel Investor</b> – La. R.S. 47:6020 provides a credit for taxpayers who make third party investments in certified Louisiana entrepreneurial businesses on or after January 1, 2011. To earn the Angel Investor Credit, taxpayers must file an application with the Louisiana Department of Economic Development. See Revenue Information Bulletin 12-009 on LDR's website. This credit can only be claimed on Lines 12 through 15.   | 460 – | <b>LA Import</b> – La. R.S. 47:6036.1 provides a credit 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.   |
| 299 – | <b>Other</b> – Reserved for future credits  | 461 – | <b>LA Work Opportunity</b> – La. R.S. 47:287.750 provides a credit for a business that hires participants in the work release programs provided for in La. 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.  |
| 305 – | <b>Tax Equalization</b> – La. R.S. 47:3201 et seq. provides a credit for tax equalization for certain businesses locating in Louisiana. The taxpayer must enter into a contract with the Louisiana Department of Economic Development, and a copy of the contract showing the credit granted must be attached to the return.  | 462 – | <b>Youth Jobs</b> – La. R.S. 47:6028 provides a credit 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. Taxpayers must apply to the Department to receive certification. Attach Form R-90004, <i>Louisiana Youth Jobs Tax Credit Employee Certification</i> . See LAC 61:I.1921 for more information. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:I.1921. |
| 310 – | <b>Manufacturing Establishments</b> – La. R.S. 47:4301 et seq. provides a credit to certain manufacturing establishments that have entered into a contract with the Louisiana Department of Economic Development. A copy of the contract showing the credit granted must be attached to the return.   |       |   |
| 399 – | <b>Other</b> – Reserved for future credits  |       |   |
| 412 – | <b>Refund by Utilities</b> – La. R.S. 47:287.664 provides a credit for certain court ordered refunds made by utilities to its customers.  |       |   |
| 424 – | <b>Donation to School Tuition Organization</b> – La. R.S. 47:6301 provides a credit for donations made to a school tuition organization that provides scholarships to qualified students to attend a qualified school. Form R-10604, <i>Receipt for Donations to School Tuition Organization Tax Credit</i> , must be attached to your return. See Revenue Information Bulletin 18-024 for more information. Per La. R.S. 47:1624(F), the accrual of interest   |       |   |

**Instructions for Nonrefundable Priority 3 Credits, Schedule J ...Continued**

| <b>CODE</b>  | <b>CREDIT DESCRIPTION</b>   | <b>CODE</b>  | <b>CREDIT DESCRIPTION</b>   |
|--|---|--|---|
| <b>463 – Apprenticeship (2022)</b>                                     | – La. R.S. 47:6033 provides a credit to employers for \$1.25 for each hour of employment of an eligible apprentice, limited to \$1,250 for each eligible apprentice. An eligible apprentice is a person who has entered into a written apprenticeship agreement with an employer or an association of employers pursuant to a registered apprenticeship program or who is enrolled in a training program accredited by the National Center for Construction Education and Research which has no less than four levels of training and no less than 500 hours of instruction. Use this code for Apprenticeship credits earned for employment of eligible apprentices after December 31, 2021. Attach a copy of Form R-90005, <i>Apprenticeship Tax Credit Employer Certification</i> , and Form R-6311, <i>Tax Incentives with Job Creation Components</i> . Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:I.1909.   | <b>500 – Inventory Tax Credit Carried Forward and ITEP</b> | – La. R.S. 47:6006 provides a credit for ad valorem taxes paid to political subdivisions in Louisiana on inventory held by manufacturers, distributors, or retailers. Manufacturers, distributors, or retailers should use this code for the carryforward of unused nonrefundable credits (not current year credit) from 2015 through 2024. Manufacturers who claimed the property tax exemption under the Industrial Tax Exemption Program (ITEP) during the same year the inventory taxes were paid, and members of those manufacturer's federal consolidated group, should use this code for the carryforward of unused nonrefundable credits from 2015 through 2024. The current year credit calculated on the 2025 Form R-10610-ITE, <i>Schedule of Ad Valorem Tax Credit Claimed by ITEP Manufacturers for Ad Valorem Tax Paid on Inventory</i> , which must be attached to the return. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:I.1902. |
| <b>464 – Donation to Qualified Foster Care Charitable Organization</b> | – La. R.S. 47:6042 provides a credit for donations made to a qualifying foster care charitable organization that provides services to a child in a foster care placement program established by the Department of Children and Family Services. The credit is for the amount of the donation used to provide the service, limited to \$50,000. Form R-68009, <i>Receipt for Donations to Qualifying Foster Care Charitable Organization Credit</i> , must be attached to your return. A shareholder of an S corporation or other pass-through entity must also attach a copy of the Schedule K-1 to substantiate the credit. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by LAC 61:I.1925.  | <b>502 – Ad Valorem Natural Gas Credit Carried Forward</b> | – La. R.S. 47:6006 provides a credit for ad valorem taxes paid to political subdivisions in Louisiana on natural gas held, used, or consumed in providing natural gas storage services or operating natural gas storage facilities. Use this code for the carryforward of unused nonrefundable credits (not current year credit) from 2015 through 2024.  |
| <b>465 – Firearm Safety Devices</b>                                    | – La. R.S. 47:297.24 provides a credit for the purchase of one or more firearm safety devices from dealers required to collect Louisiana sales and use tax. Only one credit can be earned per return in a tax year. The credit is for the amount paid for the qualifying items, including sales tax, limited to \$500. "Firearm" means any pistol, revolver, rifle, shotgun, machine gun, submachine gun, black powder weapon, or assault rifle which is designed to fire or is capable of firing fixed cartridge ammunition or from which a shot or projectile is discharged by an explosive. "Firearm safety device" means a safe, gun safe, gun case, lock box, or other device that is designed to be or can be used to store a firearm and that is designed to be unlocked only by means of a key, a combination, or other similar means. Only \$500,000 in credits can be granted in a year. A copy of the receipt must be attached to the return as documentation of the credit. See Revenue Information Bulletin 24-009 on LDR's website. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by statute. | <b>504 – Atchafalaya Trace</b>                             | – This credit is no longer available because Act 5 of the 2024 Third Extraordinary Legislative Session ended the credit effective December 31, 2024. If you have an eligible carryover amount, use this code to utilize the carryover amount against income tax for any years you have remaining in your 10 year carryover period.  |
| <b>466 – Louisiana Fortified Roof</b>                                  | – La. R.S. 47:6044 provides a credit for Louisiana resident taxpayers who install a fortified roof, as certified by the Insurance Institute for Business and Home Safety, on their primary residence. The credit is equal to the full amount of qualified expenses, up to \$10,000 per residence for owner-occupied homes with a homestead exemption. See Revenue Information Bulletin 25-020.  | <b>506 – Cane River Heritage</b>                           | – This credit is no longer available because Act 5 of the 2024 Third Extraordinary Legislative Session ended the credit effective December 31, 2024. If you have an eligible carryover amount, use this code to utilize the carryover amount against income tax for any years you have remaining in your 10 year carryover period.  |
|  |   | <b>508 – Ports of Louisiana Investor</b>                   | – This credit is no longer available because Act 5 of the 2024 Third Extraordinary Legislative Session ended the credit effective December 31, 2024. If you have an eligible carryover amount, use this code to utilize the carryover amount against income tax for any years you have remaining in your 10 year carryover period.  |
|  |   | <b>510 – Enterprise Zone</b>                               | – La. R.S. 51:1781 et seq. provides a credit for private sector investments in certain areas that are designated as "Enterprise Zones." The taxpayer must enter into a contract with the Louisiana Department of Economic Development, and a copy of the contract showing the credit granted must be attached to the return. Per La. R.S. 47:1624(F), the accrual of interest shall be suspended during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by statute.  |
|  |   | <b>550 – Recycling Credit</b>                              | – La. R.S. 47:6005 provides a credit for the purchase of certain equipment or service contracts related to recycling. The credit must be certified by the Louisiana Department of Environmental Quality, and a copy of the certification must be attached to the return.  |
|  |   | <b>599 – Other</b>   | – Reserved for future credits   |



## Interest and Penalty Calculation Worksheets

You will be charged interest and penalties if you do not pay all amounts due on or before the due date.

1. A 2025 calendar year return is due on or before May 15, 2026, and receives an automatic six-month extension to November 16, 2026.
2. Returns for fiscal years are due on or before the 15th day of the fifth month after the close of the taxable year and receive an automatic six-month extension.
3. If the due date falls on a weekend or legal state holiday, the return is due the next business day.

**Important: An extension does not relieve you of your obligation to pay all tax amounts due by the original due date.**

**Interest** – If your income tax is not paid by the due date, you will be charged interest on the unpaid tax until the balance is paid in full. The interest rate is variable, and the 2026 interest rate is posted on LDR's website on Form R-1111, *Interest Rate Schedule - Collected on Unpaid Taxes*.

## Interest Calculation Worksheet

|   |   |          |
|---|---|----------|
| 1 | Number of days late from the due date   |          |
| 2 | Daily interest rate (See Form R-1111.)  | 0. _____ |
| 3 | Interest rate (Multiply Line 1 by Line 2.)  |          |
| 4 | Amount you owe (Form IT-540, Line 39)   | .00      |
| 5 | Total interest due (Multiply Line 4 by Line 3, and enter the result on Form IT-540, Line 43.) | .00      |

**Delinquent Filing Penalty** – A delinquent filing penalty will be charged for failure to file a return on or before the extended due date of November 16, 2026. The penalty is five percent of the tax for each 30 days, or fraction thereof, during which the failure to file continues which is calculated from the original due date. Therefore, if you file after the extended due date, the delinquent filing penalty that will be assessed is the maximum of 25 percent of the tax due.

## Delinquent Filing Penalty Calculation Worksheet

|   |   |     |
|---|---|-----|
| 1 | Total penalty percentage  | .25 |
| 2 | Amount you owe (Form IT-540, Line 39)   | .00 |
| 3 | Total amount of delinquent filing penalty due (Multiply Line 2 by Line 1 and enter the result on Form IT-540, Line 44.) | .00 |

**Important Notice:** The sum of both the delinquent filing and delinquent payment penalties cannot exceed 25 percent of the tax due. Thirty-day increments are used for the calculation of the delinquent filing and delinquent payment penalties. These penalties are based on the date LDR receives the return or payment. In addition to the delinquent penalties, you may also incur an accuracy-related penalty under La. R.S. 47:1604.1 if circumstances indicate negligent failure to comply with rules and regulations.

**Delinquent Payment Penalty** – If you fail to pay the tax due by the due date of May 15, 2026, a delinquent payment penalty of 0.5 percent of the tax not paid by the due date will accrue for each 30 days, or fraction thereof, during which the failure to pay continues. This penalty cannot exceed 25 percent of the tax due. Use the worksheet below to calculate that penalty.

## Delinquent Payment Penalty Calculation Worksheet

|   |   |      |
|---|---|------|
| 1 | Number of days late from the due date   |      |
| 2 | Divide Line 1 by 30 days.   | ÷30  |
| 3 | Number of 30-day periods (If fraction of days remain, increase the amount to the nearest whole number.)               |      |
| 4 | 30-day penalty percentage   | .005 |
| 5 | Total penalty percentage (Multiply Line 3 by Line 4. The result cannot exceed 25 percent.)                            |      |
| 6 | Amount you owe (Form IT-540, Line 39)   | .00  |
| 7 | Total amount of delinquent payment penalty (Multiply Line 6 by Line 5, and enter the result on Form IT-540, Line 45.) | .00  |

**Underpayment Penalty** – Louisiana imposes an underpayment penalty on an individual's failure to sufficiently pay income tax throughout the year by withholding or declaration payments. In order to determine if an underpayment penalty is due and to compute the amount of the underpayment penalty, you must complete Form R-210R, *Underpayment of Individual Income Tax Penalty Computation*, and attach the completed form to your return. See Revenue Information Bulletin 04-004 for the definition of farmer for purposes of applying underpayment penalty.

**Line 33** – Although you may have an overpayment, if you failed to sufficiently pay income tax throughout the year, in accordance with La. R.S. 47:117.1, you may be subject to the underpayment penalty. Complete the 2025 Form R-210R available on LDR's website and enter the amount from Line 19 on Line 33. Attach the completed Form R-210R to your return. If you are a farmer, mark the box on Line 33.

**Line 46** – If you have a tax deficiency, you may be charged an underpayment penalty. Complete the 2025 Form R-210R and enter the amount from Line 19 on Line 46. Attach the completed Form R-210R to your return. If you are a farmer, mark the box on Line 46.

## 2025 Louisiana Child Care Credit Instructions

Louisiana Revised Statute 47:297.4 allows a state tax credit for child and dependent care expenses allowed by Internal Revenue Code Section 21. The credit is refundable for taxpayers whose Federal Adjusted Gross Income is \$25,000 or less and is nonrefundable for taxpayers whose Federal Adjusted Gross Income is more than \$25,000.

### INCOME EQUAL TO OR LESS THAN \$25,000

Taxpayers whose Federal Adjusted Gross Income is \$25,000 or less are allowed a refundable credit whether or not a federal child care credit has been claimed. In order to claim the Louisiana Refundable Child Care Credit, the taxpayer must comply with the same laws and rules of Internal Revenue Code Section 21 that govern the federal child care credit for the 2025 taxable year. Use Lines 1 through 11 of the Louisiana Refundable Child Care Credit Worksheet to compute your refundable credit. See instructions for the worksheet below.

### INCOME GREATER THAN \$25,000

Taxpayers whose Federal Adjusted Gross Income is greater than \$25,000 are allowed a credit against their Louisiana income tax liability for a certain percentage of their federal child care credit. If you are unable to claim the credit in the year in which it is earned, the unused portion of the credit can be used over the next five years. Use Lines 1 through 15 of the 2025 Louisiana Nonrefundable Child Care Credit Worksheet to compute your 2025 nonrefundable credit and to appropriately claim any carry forward you may have from previous years.

### REFUNDABLE CHILD CARE CREDIT INSTRUCTIONS

1. Your Federal Adjusted Gross Income must be \$25,000 or less to claim a Louisiana refundable child care credit. If you did not file and claim a federal child care credit, you may still file for and receive a refundable Louisiana Child Care Credit, if you meet certain criteria. In order to qualify for the Louisiana credit, you must meet the **same tests** for earned income, qualifying dependents, and qualifying expenses as required by the IRS for the federal child care credit.
2. In order to claim your Louisiana Child Care Credit, you must meet the following requirements:
  - A. Your filing status must be single, head of household, qualifying surviving spouse, or married filing jointly. See item number 3 below for information on married filing separately.
  - B. The care was provided to your dependent child to allow you and your spouse if married filing jointly, to work or look for work. If you did not find a job and have no earned income for the year, you cannot claim the credit.
  - C. The qualifying child must be under age 13.
  - D. The person who provided the care cannot be your spouse, the parent of the qualifying child, or a person whom you can claim as a dependent. If your child provided the care, he cannot be your dependent and must be age 19 or older by the end of 2025.

3. If your filing status is married filing separately, you will be considered single for purposes of calculating the credit if all of the following apply:
  - A. You lived apart from your spouse during the last six months of 2025.
  - B. Your qualifying dependent child lived in your home for more than half of 2025.
  - C. You provided over half the cost of keeping up your home.If you meet all these requirements and meet the requirements of 2(B), 2(C), and 2(D), you are eligible for the credit.
4. Retain copies of canceled checks, receipts, and other documentation in order to support the amount of qualifying expenses or submit this documentation with the return for faster processing.

### DEFINITIONS

**Qualifying Child** – A child under age 13 who can be claimed as a dependent by the taxpayer. If the child turned 13 during the year, the child qualifies for the part of the year he was under age 13.

**Qualified Expenses** – Amounts paid for household services and care of the qualifying person while the taxpayer worked or looked for work. Child support payments are not qualified expenses. Also, expenses reimbursed by a state social service agency are not qualified expenses unless the reimbursement was included in the taxpayer's income. Prepaid expenses are treated as paid in the year the care was provided. Do not include the following as qualified expenses for 2025:

1. Expenses incurred in 2024 but did not pay until 2025
2. Expenses incurred in 2025 but did not pay until 2026
3. Expenses prepaid in 2025 for care to be provided in 2026

**Dependent Care Benefits** – These include amounts your employer paid directly to either you or your care provider for the care of your qualifying child while you worked. Also, dependent care benefits include the fair market value of care in a daycare facility provided or sponsored by your employer and any pre-tax contributions you made under a dependent care flexible spending arrangement (FSA). Your salary may have been reduced to pay for these benefits. If you received dependent care benefits, they should be shown on your 2025 Forms W-2 in box 10.

**Earned Income** – Earned income includes wages, salaries, tips, other taxable employee compensation, and net earnings from self-employment. A net loss from self-employment reduces earned income. Earned income also includes strike benefits, any disability pay you report as wages, and other taxable compensation. You can elect to include nontaxable combat pay in earned income. Earned income does not include pensions and annuities, social security payments, workers' compensation, interest, dividends, unemployment compensation, scholarship or fellowship grants, nontaxable workfare payment, or any amount received for work while an inmate in a penal institution.

For additional definitions, details, and information, see the Internal Revenue Service's Publication 503.

## 2025 Louisiana Nonrefundable School Readiness Credit Worksheet Instructions

Louisiana Revised Statute 47:6104 provides a School Readiness Credit in addition to the credit for child care expenses as provided under La. R.S. 47:297.4. To qualify for this credit, the taxpayer must have Federal Adjusted Gross Income GREATER THAN \$25,000, must have claimed a Louisiana Nonrefundable Child Care Credit, and must have incurred child care expenses for a qualified dependent under age six who attended a child care facility that is participating in the Quality Start Rating program

administered by the Louisiana Department of Education. The qualifying child care facility must have provided the taxpayer with Form R-10614, *Louisiana School Readiness Tax Credit*, which verifies the facility's name, the facility license number, the LDR account number, the quality rating, and the rating award date. Retain copies of canceled checks, receipts, and other documentation in order to support the amount of qualifying expenses.