

Income/Franchise:

Louisiana DOR Adopts Rule Changes Reflecting Pass-Through Entity Tax Revisions

Amended Louisiana Administrative Code (LAC) section 61:l.1001, La. Dept. of Rev. (3/20/24). The Louisiana Department of Revenue adopted rule changes reflecting legislation enacted in 2023 [see H.B. 428 (2023) and previously issued Multistate Tax Alert for more details on this legislation] that revised aspects of Louisiana law permitting certain pass-through entities to elect to be taxed under the corporate rules at the entity level (“PTET Election”) – specifically, provisions:

URL: <https://www.doa.la.gov/media/iwjh5xvb/2403.pdf>

URL: <https://legis.la.gov/legis/BillInfo.aspx?s=23RS&b=HB428&sbi=y>

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-multistate-tax-alert-louisiana-enacts-changes-to-pass-through-entity-tax-election.pdf>

1. Adding a prospective termination procedure for the PTET Election, and
2. Granting an income exclusion for trusts, estates, or partnerships that are a shareholders, members, or partners in an entity that made a PTET Election, which are effective for taxable periods beginning on or after January 1, 2023.

Please contact us with any questions.

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