

WHAT'S NEW FOR LOUISIANA 2021 INDIVIDUAL INCOME TAX?

Form IT-540B-NRA, *Louisiana Nonresident Professional Athlete Individual Income Tax Return*, has been discontinued. All nonresident and part-year resident individuals must file Schedules NRPA-1 and NRPA-2 along with Form IT-540B electronically if he or she is a professional athlete who earned income as a result of services rendered within Louisiana and is required to file a federal individual income tax return.

Additional information was added to the instructions concerning net operating losses for nonresidents.

2021 LOUISIANA REFUNDABLE CHILD CARE CREDIT WORKSHEET

For 2021 only, the American Rescue Plan Act of 2021 made the federal credit substantially more generous. Since the Louisiana credit is a percentage of the federal credit, the federal changes are reflected on the 2021 Louisiana Refundable Child Care Credit Worksheet.

NONRESIDENT AND PART-YEAR RESIDENT (NPR) WORKSHEET

COVID-19 Relief Benefits – Code 27E – Act 54 of the 2021 Regular Legislative Session 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 Adjusted Gross Income. 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. This amount must be included in the calculation of Line 12 under the Louisiana column.

SCHEDULE C-NR – NONREFUNDABLE PRIORITY 1 CREDITS

Small Town Health Professionals – Code 115 – This credit is no longer available because Act 342 of the 2017 Regular Legislative Session ended the credit effective December 31, 2020.

Conversion of Vehicle to Alternative Fuel - Code 185 – Act 385 of the 2021 Regular Legislative Session accelerated the sunset date for the credit for the purchase of a qualifying new vehicle or for vehicle conversions to alternative fuel usage to July 1, 2021. To qualify for the credit for the purchase of a qualifying new vehicle or for vehicle conversions, you must have purchased the new vehicle or for conversion, have purchased and installed, before July 1, 2021. See Revenue Information Bulletin 21-016.

SCHEDULE D-NR – DONATIONS

Sexual Trauma Awareness and Response (STAR) - Line 18 – Taxpayers may donate all or part of their adjusted overpayment to the Sexual Trauma Awareness and Response (STAR) organization to support survivors of sexual trauma, improve systems response, and create social change to end sexual violence. For more information, visit www.star.ngo. (Act 3 of the 2021 Regular Legislative Session)

Louisiana State University Agricultural Center Grant Walker Educational Center (4-H Camp Grant Walker) - Line 19 – Taxpayers may donate all or part of their adjusted overpayment to the Louisiana State University Agricultural Center Grant Walker Educational Center (4-H Camp Grant Walker) to provide quality field trips, off-season programs and other great educational products. For more information, visit www.lsuagcenter.com/topics/kids_teens/events/camps/grant_walker. (Act 228 of the 2021 Regular Legislative Session)

SCHEDULE F-NR – REFUNDABLE PRIORITY 2 CREDITS

School Readiness Child Care Directors and Staff – Code 66F and Line 5A – The credit is for eligible child care directors and eligible child care staff based on certain attained qualifications. The amount of the credit is adjusted each year if there is an increase in the Consumer Price Index Urban (CPI-U). The credit amount for 2021 can be found at www.revenue.louisiana.gov/SchoolReadiness. 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. (R.S. 47:6106)

SCHEDULE J-NR – NONREFUNDABLE PRIORITY 3 CREDITS

IMPORTANT! Due to numbering limitations, some credits have been assigned new codes on Schedule J-NR.

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

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

LA Import – Code 460 – Act 292 of the 2021 Regular Legislative Session 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.

LA Work Opportunity – Code 461 – Act 453 of the 2021 Regular Legislative Session provides a credit for a business that hires participants in the work release programs provided for in R.S. 15:711, 1111, 1199.9, and 1199.10. The Louisiana Department of Public Safety or applicable sheriff must certify that the eligible

business employed an eligible re-entrant who is participating in a work release program on or after January 1, 2021 in an eligible job for 12 consecutive months. A copy of the certification of the credit must be attached to the return.

Youth Jobs – Code 462 – Act 454 of the 2021 Regular Legislative Session 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. A copy of the certification of the credit must be attached to the return. See LAC 61:I.1921 for more information.

Inventory Tax Credit Carried Forward and ITEP – Code 500
– If you have an eligible carryover amount, your carryover period has increased from five (5) years to 10 years as provided by Act 50 of the 2020 Second Extraordinary Legislative Session.

Ad Valorem Natural Gas Credit Carried Forward – Code 502

– If you have an eligible carryover amount, your carryover period has increased from five (5) years to 10 years as provided by Act 50 of the 2020 Second Extraordinary Legislative Session.

TRANSFERABLE CREDITS

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

VISIT THESE LDR WEBSITES:

- www.revenue.louisiana.gov/taxforms for forms and instructions.
- www.revenue.louisiana.gov/individuals for tax information.
- www.revenue.louisiana.gov/fileonline for free filing options.
- www.revenue.louisiana.gov/latap for free payment options.