General Information for Filing Your 2013 Louisiana Resident Individual Income Tax Return

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- Use black ink only.
- Free internet filing and E-pay services are available for most Louisiana taxpayers at ***www.revenue.louisiana.gov/fileonline.***
- See the inside back cover for What's New for 2013.

SPEC CODE ☐☐☐☐

This space on the last page of the tax return is to be used only when specifically instructed by the Louisiana Department of Revenue (LDR). Otherwise, leave blank.

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 2013.
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 2013 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 2013, **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 21.
4. Military – If you are 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. If you are single, you should file a resident return (Form IT-540), reporting all of your income to Louisiana. If you are married and both you and your spouse are residents of Louisiana, you should file a resident return (Form IT-540), reporting all of your income to Louisiana.

   Any military personnel whose domicile is NOT Louisiana must report any nonmilitary Louisiana sourced income on Form IT-540B. The federal Military Spouses Residency Relief Act has extended certain residency protections to spouses of military members. Under this Act, a spouse's state of residence 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. A spouse who is NOT a resident of Louisiana but is in Louisiana solely to be with a Louisiana stationed servicemember who is NOT a resident of Louisiana must report all Louisiana sourced income other than wages, interest, or dividends, on Form IT-540B. Income earned within or derived from Louisiana sources such as rents, royalties, estates, trusts, or partnerships is taxable to Louisiana. See Revenue Information Bulletin 10-005 for more information.

   If you are married and 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 Tax Credits, Schedule G, 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 $30,000 of military income. See the instructions for Schedule E, page 25, Code 10E.
5. Professional Athletes – Louisiana Administrative Code (LAC) 61:III.1527 requires all professional athletes that participate in athletic events within Louisiana to file all tax returns, including extension requests, electronically. Nonresident professional athletes must file Form IT-540B-NRA electronically.
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 residency. You are considered to be a Louisiana resident if you continue to maintain a residence in Louisiana while working in another state. Use Nonrefundable Tax Credits, Schedule G, Line 1, to report taxes paid to the other states.
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 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, Statement of Claimant to Refund Due on Behalf of Deceased Taxpayer.

FORMS

Forms and instructions are on the LDR website, *www.revenue.louisiana.gov/taxforms.*

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, 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 (R.S.) 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 should accompany the amended state return.

WHEN TO FILE

1. A 2013 calendar year return is due on or before May 15, 2014.
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 holiday, the return is due the next business day.

WHERE TO FILE AND PAY TAX

Enter your name and Social Security Number on your return and any correspondence. **NOTE**: On a joint return, list the names and the Social Security Numbers on Form IT-540 in the same order that you listed them on your federal return.

A return for which a **payment** is due should 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 www.revenue.louisiana.gov/fileonline.**

You can also pay your taxes by credit card over the internet or by telephone. Visit *www.officialpayments.com* or call *1.888.2PAY TAX (1.888.272.9829).*

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

EXTENSION OF TIME FOR FILING A RETURN

The Secretary of the Louisiana Department of Revenue may grant an extension of time for filing returns not to exceed six months from the date the Louisiana income tax return is due. **Extensions must be filed before the due date of the return.** An extension can be requested on the LDR website at *www.revenue.louisiana.gov/fileonline.*

By requesting an extension, you are only requesting additional time to file your tax return. An extension does not extend the time to pay the tax. Payments received after the due date will be charged interest and penalties.

INSTALLMENT REQUEST

If you are unable to pay the balance in full by the due date, you may submit an installment request, Form R-19026, which is available on the LDR website at *www.revenue.louisiana.gov/taxforms.*

INTEREST AND PENALTIES

See Interest and Penalty Calculation Worksheet on page 37.

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 returns. If you have completed Schedule H to claim federal disaster relief credits, submit the specified forms as indicated in the instructions.

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 should use the Consumer Excise Tax Return, Form R-5629, to report and pay the tax due on these products.

WHAT'S NEW FOR LOUISIANA 2013 INDIVIDUAL INCOME TAX?

In compliance with the Louisiana Constitution, the Louisiana Department of Revenue shall not recognize same-sex marriages when determining filing status. Individuals who entered into a same-sex marriage in another state cannot file a Louisiana income tax return using a tax status of married filing jointly or married filing separately.

In the case of same-sex individuals who are considered married for federal tax purposes:

- **Each individual must file a separate single, qualified head of household or qualifying widow(er) Louisiana tax return.**
- **Taxpayers must take the income on the federal joint tax return and allocate it between the taxpayers for use on their single, head of household, or qualifying widow(er) state tax return.**
- **Items of income must be allocated to the taxpayer who actually earned the income.**
- **No amended returns for past years will be permitted to change filing status.**

Federal Income Tax Deduction – Beginning on January 1, 2013, two new federal taxes, the Net Investment Income Tax and the Additional Medicare Tax took effect. For certain taxpayers who file Federal Form 1040, your federal income tax liability may be increased by the amount of the Net Investment Income Tax. Your income tax liability for taxpayers who file Federal Form 1040 is determined by Line 55, plus the tax amount from Federal Form 8960, Line 17, minus the amount from Federal Form 4972, Line 30.

Child Care Credit Carried Forward From 2009 Through 2012 Line 12C – 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 four years. For the 2013 tax year, credits from 2009 through 2012 can be applied on Line 12C. Any remaining child care credit from 2008 can not be applied to the 2013 tax liability. (R.S. 47:297.4)

School Readiness Credit Carried Forward From 2009 Through 2012 Line 12E – 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 four years. For the 2013 tax year, credits from 2009 through 2012 can be applied on Line 12E. (R.S. 47:6104)

Refund Options – Taxpayers will have the option to receive their refund by: (1) a MyRefund card, (2) a paper check, or (3)have your refund directly deposited. Indicate your choice by placing the appropriate number in the box. When filing a return electronically, the same options are also available to you. If you do not make a refund selection, you will receive your refund on a MyRefund Card.

SCHEDULE D – DONATION OF REFUND

Taxpayers can donate all or part of their refund to various funds. The following new donations appear on Schedule D:

Donation to SNAP Fraud and Abuse Detection and Prevention Fund Taxpayers may donate all or part of their refund to the Snap Fraud and Abuse Detection and Prevention Fund. This fund provides fraud and abuse detection and prevention activities related to the Supplemental Nutritional Assistance Program. (R.S. 47:120.39)

Donation to Louisiana Cancer Trust Fund – The Louisiana Cancer and Lung Trust Fund is still the recipient of these donations. R.S. 47:120.63 was amended to change the name of the donation from prostate cancer to reflect the efforts to fight all forms of cancer.

Donation to the Louisiana Coalition Against Domestic Violence, Inc. (LCADV) – Taxpayers may donate all or part of their refund to this fund to promote and strengthen quality comprehensive services for all individuals affected by domestic violence. (Act 57 of the 2013 Regular Legislative Session)

Donation to the Decorative Lighting on the Crescent City Connection – Taxpayers may donation all or part of their refund for decorative lighting on the Crescent City Connection. (Act 194 of the 2013 Regular Legislative Session)

Donation to the Operation and Maintenance of the New Orleans Ferries – Taxpayers may donate all or part of their refund for the operation and maintenance of the New Orleans ferry system. (Act 194 of the 2013 Regular Legislative Session)

Donation to Louisiana National Guard Honor Guard for Military Funerals – Taxpayers may donate all or part of their refund for military funeral honors for members of Louisiana's military forces. (Act 392 of the 2013 Regular Legislative Session)

Donation to the Bastion Community of Resilience – Taxpayers may donate all or part of their refund for the development of innovative housing for recent war veterans and their families. (Act 392 of the 2013 Regular Legislative Session)

SCHEDULE F - REFUNDABLE CREDITS

Wind and Solar Energy Systems - Non-Leased - Code 64F - Non-Leased Act 428 of the 2013 Regular Legislative Session amended R.S. 47:6030 to allow a refundable credit for taxpayers who purchased and installed a wind energy system, a solar energy system, or both in a residence located in this state, or for taxpayers who purchased and installed such energy systems in a residential rental apartment project **before July 1, 2013.** Taxpayers are also eligible for the credit when a resident purchases a newly constructed home with such systems already installed, or when such systems are installed in new apartment projects. The credit is equal to 50 percent of the first $25,000 of the cost of such systems, including installation costs purchased on or after January 1, 2008. Refer to Louisiana Administrative Code 61:I.1907 dated January 20, 2013, on LDR's website.

A refundable credit is also allowed for taxpayers who purchased and installed a solar electric system, a solar thermal system, or any combination of those components at a single-family residence located in the state **on or after July 1, 2013**. Only one credit is allowed per residence.

School Readiness Child Care Directors and Staff – Code 66F –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 2013 is posted at www.qrslouisiana.org/child-car-staff/tax-credit-requirements. For more information regarding this credit, contact the Louisiana Department of Children and Family Services. (R.S. 47:6106)

Sugarcane Trailer Conversion Credit – Code 69F – The credit for 2013 is limited to $6,500 per trailer. See Revenue Information Bulletin 09-026 for more information. (R.S. 47:6029)

Conversion of Vehicle to Alternative Fuel – Code 71F – Act 219 of the 2013 Regular Legislative Session amended R.S. 47:6035 to define a refundable credit for the purchase of, or conversion of a vehicle designed to run on an alternative fuel. The credit is not allowed for the costs associated with the purchase or conversion of a flexible fuel vehicle designed to run on both alternative fuel and gasoline or diesel. See Revenue Information Bulletin 13-023.

Wind and Solar Energy Systems - Leased – Code 74F – Act 428 of the 2013 Regular Legislative Session amended R.S. 47:6030 to allow a refundable credit for taxpayers who purchased and installed a wind energy system, a solar energy system, or both in a residence located in this state, or for owners who purchased and installed such systems in a residential rental apartment project **before July 1, 2013.** Taxpayers are also eligible for the credit when a resident purchased a newly constructed home with such systems already installed, or when such systems were installed in a new apartment project. The credit is equal to 50 percent of the first $25,000 of such systems including installation costs, purchase on or after January 1, 2008. Refer to Louisiana Administrative Code 61:I.1907 dated January 20, 2013, on LDR's website.

A refundable credit is also allowed for taxpayers who purchased and installed a solar electric system, a solar thermal system, or any combination of those components at a single-family residence located in the state **on or after July 1, 2013.** Only one credit is allowed per residence. The credit is equal to 50% of the cost and installation.

SCHEDULE G – NONREFUNDABLE CREDITS

Dedicated Research – Code 220 has been removed from 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 and payment options

Instructions for Preparing Your 2013 Louisiana Resident Income Tax Return Form (IT-540)

In compliance with the Louisiana Constitution, the Louisiana Department of Revenue shall not recognize same-sex marriages when determining filing status. Individuals who entered into a same-sex marriage in another state cannot file a Louisiana income tax return using a tax status of married filing jointly or married filing separately.

In the case of same-sex individuals who are considered married for federal tax purposes:

- **Each individual must file a separate single, qualified head of household or qualifying widow(er) Louisiana tax return.**
- **Taxpayers must take the income on the federal joint tax return and allocate it between the taxpayers for use on their single, head of household, or qualifying widow(er) state tax return.**
- **Items of income must be allocated to the taxpayer who actually earned the income.**
- **No amended returns for past years will be permitted to change filing status.**

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 **2013** only.
6. If you are filing an amended return, mark an "X" in the "Amended Return" box on the face of the return.

Nonresidents and part-year residents must use Form IT-540B to file their Louisiana return. Nonresident professional athletes must electronically file Form IT-540B-NRA.

Name, address, and Social Security Number – Enter your name, address, daytime telephone number, Social Security Number, and date of birth on your return. If there is a change in your name since last year's return (for example, new spouse), mark the "Name Change" box. LDR automatically updates your account when you change your address with the Post Office. Failure to notify the Post Office of your address change will result in your account not being updated. A direct address change can also be accomplished by filing your tax return electronically. If married, enter Social Security Numbers and date 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 2013, complete Lines 1 through 6D. 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 16, 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 1-5 – 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 Widow(er). 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, you must show the name of the qualifying person in the space provided if the person is not a dependent.

Lines 6A and 6B – Exemptions – Mark an "X" in the appropriate boxes. You must use the same number of exemptions on your Louisiana return as you did on your federal return, unless: you are listed as a dependent on someone else's return, you are age 65 or over, you are blind, or your filing status is Qualifying Widow(er). You must claim an exemption for yourself on Line 6A, even if someone else claimed you on their federal tax return. This box has already been marked with an "X" for you.

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

Line 6D – Add Lines 6A, 6B, and 6C.

Line 7 – Enter the amount of your Federal Adjusted Gross Income. This amount is taken from Federal Form 1040EZ, Line 4, OR from Federal Form 1040A, Line 21, OR from Federal Form 1040, Line 37. If your Federal Adjusted Gross Income is less than zero, enter "0."

The following residents should use Schedule E to determine their Louisiana Adjusted Gross Income:

1. Residents with exempt income such as interest on U.S. government obligations and public employee retirement systems.
2. Residents with recapture of START contributions.
3. Residents with interest income from obligations of other states and their political subdivisions.
4. Residents age 65 years or older with annual retirement income taxable to Louisiana.
5. Residents who are active duty military and have served 120 or more consecutive days out-of-state during the calendar year.
6. Residents who have paid school tuition, home-schooled educational expenses, or public school educational expenses for qualified dependents.

Mark the box on Line 7 if the amount from Schedule E, Line 5C, is used. In order to complete Schedule E, you may need to first compute your modified federal income tax deduction for Louisiana purposes if you claimed federal disaster relief credits on your 2013 federal return.

Lines 8A, 8B and 8C – If you did not itemize your deductions on your federal return, skip Lines 8A, 8B, and 8C and go to Line 9.

Line 8A – If you itemized your deductions on your federal return, enter the amount of your federal itemized deductions, shown on Federal Form 1040, Schedule A, Line 29.

Line 8B – If you itemized your deductions on your federal return and your filing status is 1 or 3, enter $6,100; 2 or 5, enter $12,200; 4, enter $8,950.

Line 8C – Subtract Line 8B from Line 8A. If less than zero, enter zero "0."

Line 9 – If you claimed federal disaster relief credits on your federal return as a result of Hurricane Katrina or Hurricane Rita, you must complete Schedule H to determine your modified federal income tax deduction for Louisiana. The federal disaster relief credits claimed for this year and allowed by the IRS could be credits that are carried forward from previous years. However, the credits must be utilized on your federal return. Attach a copy of your federal return that indicates the amount of the credit, a copy of Federal Form 3800, and a copy of the appropriate IRS form to substantiate the amount of the credit.

If you **have not** claimed federal disaster relief credits, enter your federal income tax liability on Line 9. This amount is taken from your federal return. Beginning on January 1, 2013, two new federal taxes, the Net Investment Income Tax and the Additional Medicare Tax took effect. For certain taxpayers who file Federal Form 1040, your federal income tax liability may be increased by the amount of the Net Investment Income Tax. Use Federal Form 8960 to calculate the amount of your Net Investment Income Tax. See Revenue Information Bulletin 13-025.

Below are the federal returns and line numbers that indicate your federal income tax liability.

- Federal Form **1040EZ**, Line 10.
- Federal Form **1040A**, Line 35.
- Federal Form **1040**, Line 55, plus the tax amount from Federal Form 8960, Line 17, minus the tax amount from Federal Form 4972, Line 30.

Optional deduction – The federal tax deduction above may be increased by the amount of foreign tax credit claimed on Federal Form 1040, Line 47. If this additional deduction is claimed, no special allowable credit may be claimed on Louisiana Nonrefundable Tax Credits, Schedule G, Line 4.

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

Line 11 – Use the tax table that corresponds with your filing status. Locate the amount of your tax table income from Line 10 in the first two columns of the tax table. Read across to the column numbered the same as the total number of exemptions claimed on Line 6D. The amount shown in that column is your Louisiana tax liability. Enter this amount on Line 11. If you have more than 8 exemptions, refer to the instructions at the top of the tax tables.

Line 12A – If you have claimed a Federal Child Care Credit on either Federal Form 1040A, Line 29, or Federal Form 1040, Line 48, enter the amount.

Line 12B – Enter the amount of your 2013 Louisiana Nonrefundable Child Care Credit from the Louisiana Nonrefundable Child Care Credit Worksheet on page 32. **Your Federal Adjusted Gross Income must be greater than $25,000 to claim this credit.** See instructions on page 31.

Line 12C – Enter the amount of your Louisiana Nonrefundable Child Care Credit carried forward from 2009 through 2012. The amount of your **2008** 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 on page 32.

Line 12D – 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 on page 33. In the boxes under Line 12D, enter the number of your qualified dependents who attended the associated star rated facility or facilities.

Line 12E – Enter the amount of your Louisiana Nonrefundable School Readiness Credit carried forward from 2009 through 2012. To determine the carry forward amount, use the Louisiana Nonrefundable School Readiness Credit Worksheet on page 33.

Line 13 – A credit of $25 is allowed for each dependent child claimed on Line 6C who attended school from kindergarten through 12th grade for at least part of this year. Multiply the number of qualified dependents by $25 and enter the result.

Line 14 – Enter the amount of the Other Nonrefundable Tax Credits from Form IT-540, Schedule G, Line 11.

Line 15 – Add Lines 12B through 14.

Line 16 – Subtract Line 15 from Line 11. If 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 17 – During 2013, if you purchased goods 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. See the Consumer Use Tax Worksheet below. If any of the items were alcoholic beverages or tobacco products, you are required to file a Consumer Excise Tax Return, R-5629, which is posted on LDR's website.

Line 18 – Add Lines 16 and 17.

Name Boxes - Enter the first 4 characters of the primary taxpayer's last name in the boxes at the bottom of the second, third, and fourth pages.

Line 19 – Enter the amount of your Louisiana Refundable Child Care Credit from the 2013 Louisiana Refundable Child Care Credit Worksheet, page 35, 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 instructions on page 31.

Line 19A – Enter the amount from the 2013 Louisiana Refundable Child Care Credit Worksheet, page 35, Line 3.

Line 19B – Enter the amount from the 2013 Louisiana Refundable Child Care Credit Worksheet, page 35, Line 6.

Line 20 – Enter the amount of your 2013 Louisiana Refundable School Readiness Credit. **Your Federal Adjusted Gross Income must be $25,000 or less to claim this credit.** The amount is determined from your Louisiana Refundable School Readiness Credit Worksheet on page 36. In the boxes under Line 20, enter the number of your qualified dependents who attended the associated star rated facility or facilities.

Line 21 – 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 R.S. 47:297.8. The refundable credit is equal to 3.5 percent of your Federal EIC. See the Louisiana Earned Income Credit Worksheet, page 36.

Line 22 – Enter the amount of the Louisiana Citizens Property Insurance assessment that was included in your homeowner's insurance premium. A copy of the declaration page from your premium notice must be attached to your return. For additional information regarding this credit, visit *www.revenue.louisiana.gov/citizens.*

Line 23 – Enter the amount of the Other Refundable Tax Credits from Form IT-540, Schedule F, Line 7.

Line 24 – Enter the amount of Louisiana income tax withheld in 2013. You must attach copies of all W-2 and 1099 forms that indicate tax was withheld. If the withholding amount exceeds 10 percent of the income shown on Form IT-540, Line 7, you must attach a copy of your federal return.

Line 25 – Enter the amount of any credit carried forward from 2012. This amount is shown on your 2012 Form IT-540, Line 35, or IT-540B, Line 35.

Line 26 – Enter the total amount of estimated payments you made for the 2013 tax year.

Line 27 – Enter the amount of the payment made with your 2013 extension request.

Line 28 – Add Lines 19, and 20 through 28. **Do not include amounts on Line 19A and 19B.**

Line 29 – **Overpayment** If Line 28 is greater than Line 18, subtract Line 18 from Line 28. **Your overpayment may be reduced by the Underpayment of Estimated Tax Penalty.** If Line 28 is equal to Line 18, enter a zero on Lines 29 through 36 and go to Line 37. If Line 28 is less than Line 18, enter a zero on Lines 29 through 35 and go to Line 36.

Line 30 – See instructions for Underpayment Penalty, page 37.

Line 31 – If Line 29 is greater than Line 30, subtract Line 30 from Line 29. If Line 30 is greater than Line 29, enter zero "0", subtract Line 29 from Line 30 and enter the balance on Line 36.

Line 32 – You may donate all or part of your overpayment (Line 31) to various organizations or funds listed on Schedule D, Lines 2 through 25. Enter the amount from Schedule D, Line 26. This amount cannot be greater than Line 31.

Line 33 – Subtract Line 32 from Line 31. This amount of overpayment is available for credit or refund.

Line 34 – Enter the amount of available overpayment shown on Line 33 that you wish to credit to 2014.

Consumer Use Tax Worksheet

Under La. R.S. 47:302(K), LDR is required to collect an 8 percent tax on out-of-state purchases subject to use tax. This 8 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.

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 (8 percent) ..... _____ X .08

2. **Total use tax due** ..... $ _____ .00

Enter here and on Form IT-540, Line 17.

Instructions for Preparing Your 2013 Louisiana Resident Income Tax Return Form, *Continued...*

Line 35 – Subtract Line 34 from Line 33. This amount is to be refunded. You must select how you want to receive your refund. Enter a "1" in the box if you want to receive your refund on a MyRefund Card. 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 print 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 on a MyRefund card.**

Name Boxes – Enter the first 4 characters of the primary taxpayer's last name in the boxes at the bottom of the second, third, and fourth page.

Line 36 – If Line 18 is greater than Line 28, subtract Line 28 from Line 18. If you entered an amount from Line 30 as the result of underpayment penalty exceeding an overpayment, complete Line 37 through 41, enter zero "0" on Lines 42 through 45, and go to Line 46.

Line 37 through 41 – You may make an additional donation to the funds listed on Lines 37 through 41. You must include payment for the amount being donated with your return. The donation will not be made unless you make payment.

Line 42 – Interest is charged on all tax amounts not paid by the due date. Enter the amount from the Interest Calculation Worksheet, page 37, Line 5.

Line 43 – If you fail to file your tax return by the due date – on or before May 15, 2014, for calendar year filers, on or before your fiscal year due date, or on or before your approved extension date, you may be charged delinquent filing penalty. Enter the amount from the Delinquent Filing Penalty Calculation Worksheet, page 37, Line 7.

Line 44 – If you fail to pay 90 percent of the tax due by the due date – on or before May 15, 2014, for calendar year filers, you may be charged delinquent payment penalty. Enter the amount from the Delinquent Payment Penalty Calculation Worksheet, page 37, Line 7.

Line 45 – See instructions for Underpayment Penalty, page 37.

Line 46 – Add Lines 36 through 45. You may make payment by credit card or electronic debit on ***www.revenue.louisiana.gov/fileonline.*** 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 *www.officialpayments.com* or call 1-888-2PAY-TAX (1-888-272-9829).

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

Name Boxes – Enter the first 4 characters 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. If your return was prepared by a paid preparer, that person must also sign in the appropriate space and enter his or her identification number. **DO NOT SUBMIT A PHOTOCOPY OF THE RETURN. Only submit an original return.**

Instructions for Schedule D – Donations

Line 1 – Enter the amount of adjusted overpayment from Form IT-540, Line 31.

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 activated Louisiana military personnel.

Line 3 – You may donate all or a 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 *coastal.louisiana.gov.*

Line 4 – You may donate all or part of your adjusted overpayment to the SNAP Fraud and Abuse Detection and Prevention. This fund provides fraud and abuse detection and prevention activities related to the Supplemental Nutritional Assistance Program.

Line 5 – You may contribute an amount of your adjusted overpayment to the Louisiana Student Tuition Assistance and Revenue Trust (START) Savings Program. 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* to enroll. All contributions of your overpayment will be equally distributed among the account holder's beneficiaries.

Line 6 – 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 7 – You may donate all or part of your adjusted overpayment to the Louisiana Cancer and Lung Trust Fund (LCLTFB). This fund provides for resources to reduce the incidence, morbidity, mortality, and economic impact of all forms of cancer through education, prevention, research, and early detection.

Line 8 – You may donate all or part of your adjusted overpayment to the Louisiana Animal Welfare Commission for the purpose of promoting the proper treatment and well-being of animals.

Line 9 – You may donate all or part of your adjusted overpayment to the National Lung Cancer Partnership to combat lung cancer through research, awareness, and advocacy. For more information on the fund, visit *www.nationallungcancerpartnership.org*.

Line 10 – You may donate all or part of your adjusted overpayment to the Louisiana Chapter of the National Multiple Sclerosis Society Fund to fund research, facilitate professional education, and provide programs and services to assist those affected by MS.

Line 11 – 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. Visit *www.lafba.org* for more information.

Line 12 – You may donate all or part of your adjusted overpayment to support the celebration of the 200th anniversary of Louisiana's statehood and the 200th anniversary of the Battle of New Orleans. For more information, visit *www.battleofneworleans2015.com*

Line 13 – 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.*

Line 14 – You may donate all or part of your adjusted overpayment to the Louisiana Association of United Ways/LA 2-1-1 for the purpose of the 2-1-1 helpline. Visit *www.louisiana211.org* for more information.

Line 15 – You may donate all or part of your adjusted overpayment to the Center of Excellence for Autism Spectrum Disorder.

Line 16 – You may donate all or part of your adjusted overpayment to the Louisiana Alliance for the Advancement of End of Life Care. For more information, visit *www.allianceforhospice.org.*

Line 17 – You may donate all or part of your adjusted overpayment to the American Red Cross. Visit *www.redcross.org* for more information.

Line 18 – You may donate all or part of your adjusted overpayment to fund the New Opportunities Waiver program to provide services for people with severe disabilities. The program is administered by the Department of Health and Hospitals. Visit *www.laddc.org* for more information.

Line 19 – You may donate all or part of your adjusted overpayment to the Friends of Palmetto Island State Park, Inc. for the purpose of supporting and enhancing the Palmetto Island State Park.

Line 20 – 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. Visit *www.dctbrla.org* for more information.

Line 21 – You may donate all or part of your adjusted overpayment to the Louisiana Coalition Against Domestic Violence, Inc. (LCADV). The purpose of this fund is to promote and strengthen quality comprehensive services for all individuals affected by domestic violence.

Line 22 – You may donate all or part of your adjusted overpayment for decorative lighting on the Crescent City Connection.

Line 23 – You may donate all or part of your adjusted overpayment for the operation and maintenance of the New Orleans ferries.

Line 24 – 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 25 – You may donate all or part of your adjusted overpayment to the Bastion Community of Resilience Fund. This fund provides for the development of innovative housing for recent war veterans and their families.

Line 26 – Add Lines 2 through 25. This amount cannot be more than Line 1. Also, enter this amount on Form IT-540, Line 32.

Line 1 – Enter the amount of your Federal Adjusted Gross Income. This amount is shown either on your Federal Form 1040EZ, Line 4 **OR** your Federal Form 1040A, Line 21, **OR** your Federal Form 1040, Line 37. 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 2 – Tax-exempt interest and dividend income reported on your federal return are taxable to Louisiana if ALL of the following conditions are met:

a. You are filing as a resident of Louisiana.

b. 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.

c. 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 2A – Enter any previously exempted Louisiana Student Tuition Assistance and Revenue Trust (START) contributions that were refunded to you during 2013 by the Louisiana Office of Student Financial Aid.

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

EXEMPT INCOME LINES 4A THROUGH 4H

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 4H.

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

EXAMPLE:

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

CODE	EXEMPTION DESCRIPTION
01E –	**Interest and Dividends on US 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.
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.
04E –	**Federal Retirement Benefits** – Enter the amount of retirement benefits received from a Federal Retirement System. This amount should be included in the amount on Schedule E, Line 1.
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. 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 on LDR's website.

CODE	EXEMPTION DESCRIPTION
06E –	**Annual Retirement Income Exemption for Taxpayers 65 Years of Age or Older** – Up to $6,000 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 widow(er), 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 $6,000 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 1040A, Lines 11b and 12b, or Federal Form 1040, Lines 15b and 16b. 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 widow(er), 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 1040A, Lines 11b and 12b, **OR** that you reported on Federal Form 1040, Lines 15b and 16b. 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.	$6,000	$6,000
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 widow(er), 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 1040A, Line 14b, or Federal Form 1040, Line 20b.
08E –	**Native American Income** – Louisiana Administrative Code 61:I.1303 provides that income derived from sources **on the reservation** 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 **outside of the reservation, including sources outside of Louisiana,** 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.

CODE	EXEMPTION DESCRIPTION

09E – **START Savings Program Contributions** – 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 widow(er) can exempt up to $2,400 per beneficiary from Louisiana taxable income. Account holders with a filing status of married filing jointly can each 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.

10E – **Military Pay Exclusion** – 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 $30,000. Example: If on January 15, 2013, you went on active duty and continuously remained on active duty at least through May 14, 2013 (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 $30,000, 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 2013 return. If filing electronically, bring a copy of your orders including endorsements to your tax preparer.

11E – **Road Home** – R.S. 47:293(9)(a)(i) provides that any grant, loan, or other benefit directly or indirectly provided to a taxpayer by a hurricane recovery entity shall be excluded if the income was included in the taxpayer's Federal Adjusted Gross Income. Hurricane recovery entities that provided benefits are the Road Home Corporation, the Louisiana Recovery Authority, the Disaster Recovery Unit of the Office of Community Development, or the Louisiana Family Recovery Corps. This amount should be included in the amount on Schedule E, Line 1.

13E – **Recreation Volunteer** – 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.

14E – **Volunteer Firefighter** – 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 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.

16E – **Voluntary Retrofit Residential Structure** – 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 for more information.

CODE	EXEMPTION DESCRIPTION

17E – **Elementary and Secondary School Tuition** – 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. The dependent must be claimed on your 2013 return or must have been claimed on your 2012 return. To calculate the amount of the deduction, use the 2013 Louisiana School Expense Deduction Worksheet on the back of Schedule E.

18E – **Educational Expenses for Home-Schooled Children** – R.S. 47:297.11 provides a deduction for expenses paid for home-schooling your qualified dependent. The dependent must be claimed on your 2013 return or must have been claimed on your 2012 return. To calculate the amount of the deduction, use the 2013 Louisiana School Expense Deduction Worksheet on the back of Schedule E.

19E – **Educational Expenses for a Quality Public Education** – 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. The dependent must be claimed on your 2013 return or must have been claimed on your 2012 return. To calculate the amount of the deduction, use the 2013 Louisiana School Expense Deduction Worksheet on the back of Schedule E.

20E – **Capital Gain from Sale of Louisiana Business** – 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. Attach a copy of your federal return and supporting forms and a schedule showing the calculation of the deduction. See Revenue Information Bulletin 10-017 for more information.

49E – **Other** – 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 Tax Credits, Schedule G, Line 1. Nonresident and Part-Year Residents should use Form IT-540B to determine their Louisiana tax. Nonresident professional athletes must file Form IT-540B-NRA electronically.

Disabled individuals claiming an exemption under R.S. 47:59.1 for making adaptations to their home should use this line to deduct the expenses from their gross income. Persons receiving disability income (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. Persons claiming an S Bank shareholder exclusion should use this line to report the exclusion, which is equal to the S Bank shareholder's nontaxable income from Louisiana taxable income. "S Bank nontaxable income" means 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 R.S. 47:1967. See Revenue Ruling 11-001 if you have any Build America Bonds.

Note: *Depletion deduction is limited to the amount of federal depletion. Louisiana does not have a provision that allows excess depletion on individual income tax.*

Line 4I – Add Lines 4A through 4H.

Line 4J – Enter the amount of federal tax applicable to the exempt income shown on Line 4I. If Line 9 on Form IT-540 is greater than zero, complete both options and use the option that results in the ***lower*** federal tax. You may need to first compute your modified federal income tax deduction for Louisiana purposes if you have taken certain federal credits as a result of Hurricanes Katrina or Rita. See instructions for Line 9 on page 21.

Instructions for Schedule E, *Continued...*

Option 1:

If Line 4I is:	Then enter on Line 4J:
Less than $15,000	-0-
$15,000 - $50,000	25% of the amount over $15,000
More than $50,000	$8,750, plus 40% of the amount over $50,000

Option 2: Divide Line 4I by Line 1. Carry out two decimal places in the percentage. For example, 48.32 percent. **DO NOT ROUND UP**. The percentage cannot exceed 100 percent.

Multiply your total federal tax from Form IT-540, Line 9, by the ratio obtained. If there is no applicable federal tax, enter zero "0."

Line 4K – Subtract Line 4J from Line 4I.

Line 5A – Subtract Line 4K from Line 3.

Line 5B – Enter the amount of your IRC 280C expense adjustment. See Revenue Information Bulletin 06–017 for further details. To substantiate the credit, provide LDR with a copy of Federal Form 3800 that indicates the credit plus the appropriate form for the credit. A shareholder of an S corporation or other pass-through entities should attach a copy of Schedule K-1 to substantiate the credit.

Line 5C – Subtract Line 5B from Line 5A. Enter the result here and on Form IT-540, Line 7. Mark the box on Form IT-540, Line 7, indicating that Schedule E was used. If the amount is less than zero, enter zero "0."

General Information Regarding Tax Credits

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 Social Security Number. Revenue Information Bulletins are posted on *www.revenue.louisiana.gov/policies* under Policy Documents.

Instructions for Refundable Tax Credits, Schedule F

Line 1 – R.S. 47:297.9 allows a refundable credit for 100 percent of the amount paid by an active or reserve military servicemember, the spouse of an active or reserve military servicemember, or the dependent of such servicemember for obtaining a Louisiana noncommercial hunting or fishing license. A copy of the noncommercial hunting and/or fishing license must be submitted to LDR in order to claim the credit. Complete all information requested in Lines 1A through 1D. The credit for the license is valid only during the time the servicemember is on active duty and does not apply to purchases of lifetime licenses. Please contact LDR for more information concerning this credit.

Additional Refundable Tax Credits, Lines 2 through 6
Additional refundable credits available for the tax year ending December 31, 2013 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 6.

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

Example:

Credit Description	Code	Amount of Credit Claimed
Historic Residential	6 0 F	4 0 0 . 00

Line 7 – Add Lines 1D and 2 through 6. Also, enter the amount on Form IT-540, Line 23.

CODE	CREDIT DESCRIPTION
50F –	**Inventory Tax** – R.S. 47:6006 allows a refundable credit for 100 percent of the ad valorem taxes paid to political subdivisions in Louisiana on inventory held by manufacturers, distributors, or retailers. Refer to Revenue Information Bulletin 06-036 on the LDR website.
51F –	**Ad Valorem Natural Gas** – R.S. 47:6006 allows a refundable credit for 100 percent of the 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. Both a copy of the tax assessment and a copy of the cancelled check in payment of the tax must be attached to the return.
52F –	**Ad Valorem Offshore Vessels** –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 cancelled check in payment of the tax, and a completed Form LAT 11A from the Louisiana Tax Commission must be attached to the return.
54F –	**Telephone Company Property** – 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 Revenue Information Bulletin 01-004 on LDR's website. A schedule must be attached stating which entity paid the tax and obtained the credit on the individual's behalf.
55F –	**Prison Industry Enhancement** – R.S. 47:6018 allows a refundable credit for the state sales and use tax paid by a taxpayer on purchases of specialty apparel items from a private sector Prison Industry Enhancement (PIE) contractor. Contact LDR for further information regarding this credit.
56F –	**Urban Revitalization** – R.S. 51:1801 et seq. allows a refundable credit for investing in certain economically depressed areas of 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.
57F –	**Mentor-Protégé** – R.S. 47:6027 allows a refundable credit for a mentor business that fulfills the terms of a Mentor-Protégé Agreement as approved by the Louisiana Department of Economic Development. A copy of the certification of the credit must be attached to the return.
58F –	**Milk Producers** – 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 the 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 and Hospitals to receive the credit. Revenue Information Bulletin 08-014 provides information regarding the credit.
59F –	**Technology Commercialization** – R.S. 51:2351 et seq. allows a refundable credit for a qualifying individual or business that invests in the commercialization of Louisiana technology. 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.
60F –	**Historic Residential** – R.S. 47:297.6 allows a refundable credit for the amount of eligible costs and expenses incurred during the rehabilitation of an owner-occupied residential or owner-occupied mixed use structure located in a National Register Historic District, a cultural district, a local historic district, a Main Street District, or a downtown development district. The tax credit is limited to one credit per rehabilitated structure and can not exceed $25,000 per structure. Taxpayers must apply to the Louisiana Department of Culture, Recreation, and Tourism, Division of Historic Preservation for certification. A copy of the certification of the credit must be attached to the return.
61F –	**Angel Investor** – R.S. 47:6020 allows a refundable credit for taxpayers who made third party investments in certified Louisiana entrepreneurial businesses between January 1, 2005, and December 31, 2009. To earn the Angel Investor Credit, taxpayers must file an application with the Louisiana Department of Economic Development. Refer to Revenue Information Bulletin 06-020 on LDR's website.

CODE	CREDIT DESCRIPTION

62F – Musical and Theatrical Productions – 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.

64F – Wind and Solar Energy Systems – Non-Leased – R.S. 47:6030 provides a refundable credit for taxpayers who purchased and installed a wind energy system, a solar energy system, or both in a residence located in this state, or for taxpayers who purchased and installed such energy systems in a residential rental apartment project **before July 1, 2013**. Taxpayers are also eligible for the credit when a resident purchases a newly constructed home with such systems already installed, or when such systems are installed in new apartment projects. The credit is equal to 50 percent of the first $25,000 of the cost of such systems, including installation costs purchased on or after January 1, 2008. Refer to Louisiana Administrative Code 61:I.1907 dated January 20, 2013, on LDR's website.

Additionally, R.S 47:6030 was amended to allow a refundable credit for taxpayers who purchased and installed a solar electric system, a solar thermal system, or any combination of those components at a single-family residence located in the state on **or after July 1, 2013.** The credit is equal to 50% of the cost and installation. Only one tax credit is available for an eligible system. When taking this credit, the taxpayer will not be eligible for any other state tax credit, exemption, exclusion, deduction, or any other tax benefit for that property.

65F – School Readiness Child Care Provider – 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 (DCFS) or to children who participate in the Child Care Assistance Program administered by the Office of Family Support in DCFS. 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. For more information regarding this credit, contact DCFS.

66F – School Readiness Child Care Directors and Staff – R.S. 47:6106 allows a refundable credit for eligible child care directors and eligible child care staff. The tax credit is based on certain attained qualifications for directors and staff members. The credit amount is variable and the 2013 amount is posted at *www.qrslouisiana.org.* For more information regarding this credit, contact the Louisiana Department of Children and Family Services.

67F – School Readiness Business-Supported Child Care – 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. Copies of cancelled checks and other documentation to support the amount of eligible expenses must be maintained and provided upon request. For more information regarding this credit, contact the Louisiana Department of Children and Family Services.

68F – School Readiness Fees and Grants to Resource and Referral Agencies – 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 can not exceed $5,000 per tax year. For more information regarding this credit, contact the Louisiana Department of Children and Family Services.

CODE	CREDIT DESCRIPTION

69F – Sugarcane Trailer Conversion or Acquisition – R.S. 47:6029 allows a refundable credit for the cost paid this year to acquire or replace an eligible sugarcane trailer, or to convert an ineligible sugarcane trailer to an eligible sugarcane trailer. An eligible trailer hauls sugarcane and meets certain requirements which will authorize the owner or operator to obtain an annual special permit for sugarcane vehicles after August 1, 2012. The credit is limited to $6,500 per trailer.

70F – Retention and Modernization – 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.

71F – Conversion of Vehicle to Alternative Fuel – Act 219 of the 2013 Regular Legislative Session amended R.S. 47:6035 to define a refundable credit for the purchase of, or conversion of a vehicle to a flexible fuel vehicle designed to run on an alternative fuel. The credit is not allowed for the costs associated with the purchase or conversion of a flexible fuel vehicle, designed to run on both alternative fuel and gasoline or diesel. The purchased vehicle must be properly registered with the Louisiana Department of Public Safety. You must attach documentation verifying the conversion or purchase of the vehicle.

72F – Research and Development – R.S. 47:6015 allows a refundable credit for any taxpayer who claims a federal income tax credit under 26 U.S.C. §41(a) for increasing research activities. 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 09-020 on LDR's website.

73F – Digital Interactive Media & Software – R.S. 47:6022 provides a 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.

74F – Wind and Solar Energy Systems – Leased – R.S. 47:6030 provides a refundable credit for taxpayers who purchased and installed a wind energy system, a solar energy system, or both in a residence located in this state, or for owners who purchased and installed such systems in a residential rental apartment project **before July 1, 2013.** Taxpayers are also eligible for the credit when a resident purchased a newly constructed home with such systems already installed, or when such systems were installed in a new apartment project. The credit is equal to 50 percent of the first $25,000 of the cost of such systems, including installation costs purchased on or after January 1, 2008. Refer to Louisiana Administrative Code 61:I.1907 dated January 20, 2013, on LDR's website.

Additionally, R.S 47:6030 was amended to allow a refundable credit for taxpayers who purchased and installed a solar electric system, a solar thermal system, or any combination of those components at a single-family residence located in the state **on or after July 1, 2013.** The credit is equal to 50% of the cost and installation. Only one tax credit is available for an eligible system. When taking this credit, the taxpayer will not be eligible for any other state tax credit, exemption, exclusion, deduction, or any other tax benefit for that property.

80F – Other Refundable Credit – Reserved for future credits.

General Information about Disaster Relief Credits

Federal Disaster Relief Credits

Louisiana provides a deduction for federal income taxes paid on Louisiana income. Generally, when the federal income tax liability is decreased by federal credits, the amount of the Louisiana income tax liability increases. R.S. 47:293(4)(b) expands the relief granted to Louisiana taxpayers who claimed certain disaster credits granted for Hurricane Katrina or Hurricane Rita. To avoid paying additional income tax, Louisiana taxpayers who received these federal credits may increase the amount of their Louisiana federal income tax deduction by the amount of certain disaster relief credits claimed on the 2013 federal income tax form. Louisiana Administrative Code (LAC) 61:I.601 designated the following federal credits as disaster relief credits:

1. Employee Retention Credit
2. Work Opportunity Credit
3. Rehabilitation Tax Credit
4. Employer-Provided Housing Credit
5. Low Income Housing Credit
6. New Markets Tax Credit

For complete information about disaster relief credits, see LAC 61:I.601 on *www.revenue.louisiana.gov/policies.*

Consult your tax advisor or the IRS for information concerning the federal credits. If you claimed federal disaster relief credits on your federal return, complete Schedule H and attach a copy of the appropriate federal forms to your return to substantiate your modified Louisiana federal income tax deduction.

Instructions for Schedule H

Line 1 – Enter the amount of your federal income tax liability from Federal Form 1040, Line 55 plus the tax amount from Federal Form 8960, Line 17.

Line 2 – Enter the amount of federal disaster relief credits claimed on your federal return. The federal disaster relief credits claimed for this year and allowed by the IRS could be credits that are carried forward from previous years. Attach a copy of your federal return that indicates the amount of the credit, a copy of Form 3800, and a copy of the appropriate IRS form in order to substantiate the amount of the credit.

Line 3 – Add the amounts from Lines 1 and 2 and enter the result on Line 3 and on Form IT-540, Line 9. Mark the box on Line 9 to indicate that your income tax deduction has been increased by the amount of federal disaster credits.

Instructions for Nonrefundable Tax Credits, Schedule G

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 (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 allowed on your Louisiana return must be for the same taxable year for which the tax was paid to the other states. On Line 1, enter the amount of the income tax paid to the other states. Round to the nearest dollar. A copy of the returns filed with the other states must be attached to your Louisiana return.

Line 2 – A credit of $100 is allowed for the taxpayer, spouse, or dependent who is deaf, has lost the use of a limb, is mentally incapacitated, or is blind (R.S. 47:297(A)). Only one credit is allowed per person. The disability must exist at the end of the taxable year or, if death occurred during the taxable year, at the date of death. If you are claiming this credit for the first time, a physician's statement is required certifying the disability. For purposes of this credit:

- DEAF is defined as one who cannot understand speech through auditory means alone (even with the use of amplified sound) and must either use visual means or rely on other means of communication.
- LOSS OF LIMB is defined as one who has lost one or both hands, at or above the wrist, or one or both feet, at or above the ankle. This credit also applies if use of the limb or limbs has been lost permanently.
- MENTALLY INCAPACITATED is defined as one who is incapable of caring for himself, or of performing routine daily health requirements, due to his condition.
- BLIND is defined as one who is totally blind or whose central field of acuity does not exceed 20/200 in the better eye with correcting lenses or whose visual acuity is limited to a field no greater than 20 degrees.

The names of the qualifying dependents must be entered on Line 2C. On Line 2D, enter the total number of qualifying individuals. Multiply Line 2D by $100 and enter the result on Line 2E.

Line 3 – Taxpayers who donate a computer or other technological equipment to educational institutions in Louisiana are allowed a credit of 40 percent of the value of the property donated (R.S. 47:37). The recipient certifies the donation of property by using Form R-3400 the Certificate of Donation available on LDR's website. You must attach the completed certification form to your return. On Line 3A, enter the value of the property donated to an educational institution in Louisiana. Multiply the amount on Line 3A by 40 percent and enter the result on Line 3B. Round to the nearest dollar.

Line 4 – Taxpayers are allowed a credit of 10 percent of the following federal credits: a credit for the elderly computed on Federal Schedule R; a foreign tax credit found on Federal Form 1040, Line 47; a residential energy credit found on Federal Form 1040, Line 52; plus 10 percent of any investment tax credit or jobs credit computed on Federal Form 3800 (R.S. 47:297(B)). If the credit was not used on the federal return because of the alternative minimum tax, you must reduce this amount by the portion of the credit that was not used. Enter the total federal credit on Line 4A. Multiply Line 4A by 10 percent and enter the result or $25, whichever is less, on Line 4B.

Additional Nonrefundable Credits Lines 5 Through 10

Additional nonrefundable credits available for the tax year ending December 31, 2013 are referenced individually by a three-digit code. Enter the credit description, identifying code, and the dollar amount claimed in the appropriate spaces on Lines 5 through 10.

NOTE: Use only the codes referenced in the table on Schedule G. The codes listed here are not interchangeable with other codes listed in this booklet.

Example:

Credit Description	Code	Amount of Credit Claimed
New Jobs Credit	2 2 4	5 0 0 . 00

Line 11 – Add Lines 1, 2E, 3B, 4B, and 5 through 10. Also, enter the amount on Form IT–540, Line 14.

CODE	CREDIT DESCRIPTION
100 –	**Premium Tax** – 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 to individuals through certain legal entities such as partnerships. A schedule must be attached listing the entities that paid the premium tax and generated the credit on behalf of the individual.
105 –	**Commercial Fishing** – R.S. 47:297(C) provides a credit for gasoline and special fuels taxes paid for operating or propelling any commercial fishing boat. Attach a schedule listing all invoices and taxes paid. Do not claim the credit if you have already received a fuel tax refund.
110 –	**Family Responsibility** – R.S. 47:297(F) provides a credit for the amount contributed in a family responsibility program under the provisions of R.S. 46:449. The amount of this credit is equal to 33.3 percent of the contribution, not to exceed $200.
115 –	**Small Town Doctor/Dentist** – R.S. 47:297(H) provides a credit for certified medical doctors and dentists licensed to practice in certain areas of Louisiana. The credit is limited to $5,000.
120 –	**Bone Marrow** – R.S. 47:297(I) provides a credit to employers authorized to do business in the state who incur bone marrow donor expense by developing a bone marrow donation program, educating employees related to bone marrow donations, making payments to a health care provider for determining tissue types

CODE **CREDIT DESCRIPTION**

of potential donors, and paying wages to an employee for time related to tissue typing and bone marrow donation. If the wage expense is used to obtain the credit, it cannot be deducted as an expense for income tax purposes. The amount of the credit is equal to 25 percent of the bone marrow donor expense paid or incurred by the employer during the tax year.

125 – Law Enforcement Education – R.S. 47:297(J) provides a credit for certain law enforcement officers and specified employees of the Louisiana Departments of Public Safety or Corrections for specific post-secondary educational expenses incurred in the pursuit of an undergraduate degree related to law enforcement.

130 – First Time Drug Offenders – R.S. 47:297(K) provides a credit for a taxpayer who provides full-time employment to an individual who has been convicted of a first time drug offense, and who is less than 25 years of age at the time of initial employment.

135 – Bulletproof Vest – R.S. 47:297(L) provides a credit for the purchase of a bulletproof vest for certain law enforcement personnel. The credit is limited to $100.

140 – Nonviolent Offenders – R.S. 47:297(O) provides a credit for a taxpayer who provides full-time employment to an individual who has been convicted of a first-time nonviolent offense, has completed a court-ordered program certified by the employee's probation officer, and has worked 180 days. A statement signed by both the employer and employee certifying the employee's full-time work status for the year must be attached to the return.

145 – Owner of Newly Constructed Accessible Home – R.S. 47:297(P) provides a credit for a taxpayer who owns a newly constructed one or two-family dwelling on which the homestead exemption is claimed. The dwelling must include certain accessible and barrier free design elements. The credit is for the lesser of $1,000 or tax, and is taken in the taxable year that the construction of the dwelling completed. Form R-1089, available on LDR's website, must be attached to your return as documentation for this credit.

150 – Qualified Playgrounds – R.S. 47:6008 provides a credit for donations to assist qualified playgrounds. The credit is for the lesser of $1,000 or one-half of the value of the cash, equipment, goods, or services donated. For more information on this credit, see Revenue Ruling 02-020 posted on LDR's website.

155 – Debt Issuance – R.S. 47:6017 provides a credit for 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.

175 – Donations of Materials, Equipment, Advisors, Instructors R.S. 47:6012 provides a credit for employers within the state for donations of the newest technology available in materials, equipment, or instructors to public training providers, secondary and postsecondary vocational-technical schools, community colleges, or apprenticeship programs registered with the Louisiana Workforce Commission to assist in the development of training programs designed to meet industry needs. The credit is for 50 percent of the value of the donated materials, equipment, or services rendered by the instructor. When taken with other applicable credits, this credit cannot exceed 20 percent of the employer's tax liability for any taxable year.

199 – Other – Reserved for future credits.

200 – Atchafalaya Trace – R.S. 25:1226.4 provides a credit to certain heritage-based cottage industries that have entered into a contract with the State Board of Commerce and Industry. A copy of the contract must be attached to the return.

202 – Organ Donation – R.S. 47:297(N) provides a credit to offset certain expenses incurred by an individual or spouse for a living organ donation.

204 – Household Expense for Physically and Mentally Incapable Persons – R.S. 47:297.2 provides a credit for a person who maintains a household that includes one or more dependents who are physically or mentally incapable of caring for themselves. The credit is for the applicable percentage of employment related expenses allowable pursuant to Section 21 of the Internal Revenue Code.

208 – Previously Unemployed – R.S. 47:6004 provides a credit for hiring a previously unemployed person who participates in the Family Independence Work Program in a newly created full-time job.

210 – Recycling Credit – 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.

212 – Basic Skills Training – R.S. 47:6009 provides a credit for employers who pay for training to bring employees' reading, writing, or mathematical skills to at least the 12th grade level. The credit is limited to $250 per participating employee, not to exceed $30,000 for the tax year.

224 – New Jobs Credit – R.S. 47:34 and R.S. 47:287.749 provide a credit to employers who establish or expand a business in the state. A schedule that includes the calculation of the credit must be attached to the return and must include the name, address, and Social Security Number of each new employee; highest number of full-time and qualified part-time employees during the previous year; highest number of full-time and part-time employees during the current year; number of new employees hired for new jobs created during this taxable year; and amount of credit carried forward from the previous year.

226 – Refund by Utilities – R.S. 47:287.664 provides a credit for certain court ordered refunds made by utilities to its customers.

228 – Eligible Re-entrants – R.S. 47:287.748 provides a credit to a taxpayer who employs an eligible re-entrant in Louisiana. An eligible re-entrant is defined as a person who has been convicted of a felony and who has successfully completed the Intensive Incarceration Program, as provided in R.S. 15:574.4.

230 – Neighborhood Assistance – R.S. 47:35 and R.S. 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 for up to 70 percent of the amount contributed for investment in programs approved by the Commissioner of Administration, and the credit shall not exceed $250,000 annually.

232 – Cane River Heritage – R.S. 47:6026 provides a credit for a heritage-based cottage industry located or to be located in the Cane River Heritage Area Development Zone. The taxpayer must enter into a contract with the Louisiana Department of Culture, Recreation, and Tourism, and a copy of the contract must be attached to the return.

234 – LA Community Economic Development – R.S. 47:6031 provides a credit for money donated, contributed, or represented by a sale below cost by the taxpayer to a certified community development corporation or a certified community development financial institution. The credit must be certified by the Louisiana Department of Economic Development, and a copy of the certification must be attached to the return.

236 – Apprenticeship – R.S. 47:6033 provides a credit to employers for one dollar for each hour of employment of an eligible apprentice, limited to 1,000 hours for each eligible apprentice. An eligible apprentice is a person who has entered into a written apprentice 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. For more information regarding this credit, contact the Louisiana Workforce Commission.

238 – Ports of Louisiana Investor – R.S. 47:6036(C) provides a credit to individuals to encourage investment in state port facilities in Louisiana. 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.

CODE **CREDIT DESCRIPTION**

240 – Ports of Louisiana Import Export Cargo – 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.

251 – Motion Picture Investment – 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, available on LDR's website, as documentation for this credit.

252 – Research and Development – R.S. 47:6015 provides a credit for any taxpayer who claims a federal income tax credit under 26 U.S.C. §41(a) for increasing research activities. Use this code for Research and Development credits earned for expenditures made in tax years beginning before January 1, 2009. See Revenue Information Bulletin 09-020 on LDR's website.

253 – Historic Structures – R.S. 47:6019 provides a credit if the taxpayer incurs certain expenses during the rehabilitation of a historic structure that is located in a Downtown Development District or cultural product district. Refer to Revenue Information Bulletin 06-002 on LDR's website.

254 – Digital Interactive Media – R.S. 47:6022 provides a credit to individuals for the investment in businesses specializing in digital interactive media. Use this code for Digital Interactive Media credits earned for expenditures made prior to January 1, 2012. 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.

256 – Motion Picture Employment of Resident – R.S. 47:1125.1 provides a credit for the employment of residents of Louisiana in connection with the production of a motion picture. The credit may flow to an individual via a partnership, limited liability company, Subchapter S Corporation, or other entities. Refer to Revenue Information Bulletin 05-005 on LDR's website.

257 – Capital Company – 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.

258 – LA Community Development Financial Institution (LCDFI) – R.S. 51:3085 et seq. provides a credit for certain investments in an LCDFI to encourage the expansion of businesses in economically distressed areas. The Louisiana Office of Financial Institutions administers this program.

259 – New Markets – R.S. 47:6016 provides a credit if the taxpayer makes certain qualified low-income community investments, as defined in Section 45D of the Internal Revenue Code. The taxpayer must be certified by the Louisiana Department of Economic Development and approved by LDR. Information on the program investment limits are frequently posted as Revenue Information Bulletins on LDR's website.

260 – Brownfields Investor Credit – R.S. 47:6021 provides a credit to individuals to encourage the cleanup, redevelopment, and productive reuse of brownfields sites in the state. The credit is obtained through the Louisiana Department of Economic Development and the Louisiana Department of Environmental Quality.

261 – Motion Picture Infrastructure – 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. Refer to Revenue Information Bulletin 06-004 on LDR's website.

CODE **CREDIT DESCRIPTION**

262 – Angel Investor – 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.

299 – Other – Reserved for future credits.

300 – Biomed/University Research – R.S. 17:3389 provides a credit to persons who establish research activities either in a Biomedical or a University Research and Development Park. 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.

305 – Tax Equalization – 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.

310 – Manufacturing Establishments – 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.

315 – Enterprise Zone – 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.

399 – Other – Reserved for future credits.

R.S. 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 law and rules of Internal Revenue Code Section 21 that governs the federal child care credit for the 2013 taxable year. Use Lines 1 through 11 of the Louisiana Refundable Child Care Credit Worksheet on page 35 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 four years. Use Lines 1 through 17 of the 2013 Louisiana Nonrefundable Child Care Credit Worksheet on page 32 to compute your 2013 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 widow(er) 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 2013.
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 6 months of 2013.
   - B. Your qualifying dependent child lived in your home for more than half of 2013.
   - 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.

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 2013:

A. Expenses incurred in 2013 but did not pay until 2014

B. Expenses incurred in 2012 but did not pay until 2013.

C. Expenses prepaid in 2013 for care to be provided in 2014.

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 2013 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, or 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.

X DO NOT ATTACH THIS WORKSHEET TO YOUR RETURN.

2013 Louisiana Nonrefundable Child Care Credit Worksheet *(For use with Form IT-540)*				
1	Enter Federal Child Care Credit from Federal Form 1040, Line 48 or Federal Form 1040A, Line 29.	1		.00
1A	Enter the applicable percentage from the chart shown below. **Federal Adjusted Gross Income** — **Percentage** $25,001 – $35,000 — 30% (.30) $35,001 – $60,000 — 10% (.10) over $60,000 — 10% (.10)	1A	X ._____	
2	Multiply your Federal Child Care Credit shown on Line 1 by the percentage shown on Line 1A. If your Federal Adjusted Gross Income is less than or equal to $60,000, this is your available Nonrefundable Child Care Credit for 2013. Go to Line 3.	2		.00
2A	**Important! If your Federal Adjusted Gross Income is greater than $60,000**, the amount on Line 2 is limited to the LESSER of $25.00, or 10 percent of the federal credit. If Line 2 is greater than $25.00, enter $25 here. This is your available Nonrefundable Child Care Credit for 2013.	2A		.00
3	Enter the amount of Louisiana income tax from Form IT-540, Line 11.	3		.00
4	Add the amounts of Nonrefundable credits from Form IT-540, Lines 13 and 14.	4		.00
5	Subtract Line 4 from Line 3.	5		.00
6	If Line 5 is less than or equal to zero, your entire Child Care Credit for 2013 (Line 2 or 2A, above) will be carried forward to 2014. Also, any available carryforward from 2009 through 2012 will be carried forward to 2014. If Line 5 above is less than or equal to zero, enter zero "0" on Form IT-540, Lines 12B and 12C. Stop here; you are finished with the worksheet.	6		
Use Lines 7 through 10 to determine the amount of Nonrefundable Child Care Credit Carryforward from 2009 through 2012 utilized for 2013.				
7	If Line 5 above is greater than zero, enter the amount from Line 5.	7		.00
8	Enter the amount of any Child Care Credit Carryforward from 2009 through 2012.	8		.00
9	Subtract Line 8 from Line 7.	9		.00
10	If Line 9 is less than or equal to zero, the amount of Child Care Credit Carryforward used for 2013 is equal to Line 7 above. Enter the amount from Line 7 above on Form IT-540, Line 12C. If Line 9 is less than zero, subtract Line 7 from Line 8 and enter the result here. This amount is your unused Child Care Credit Carryforward from 2009 through 2012 that can be carried forward to 2014. Also, your entire Child Care Credit for 2013 (Line 2 or 2A above) will be carried forward to 2014. Stop here; you are finished with the worksheet.	10		.00
Use Lines 11 through 15 to determine the amount of Child Care Credit Carryforward utilized from 2009 through 2012 plus any amount of your 2013 Child Care Credit.				
11	If Line 9 above is greater than zero, enter the amount of carryforward shown on Line 8 above on Form IT-540, Line 12C.	11		
12	If Line 9 above is greater than zero, enter the amount from Line 9.	12		.00
13	Enter the amount of your 2013 Child Care Credit (Line 2 or Line 2A, above).	13		.00
14	Subtract Line 13 from Line 12.	14		.00
15	If Line 14 is greater than or equal to zero, your entire Child Care Credit for 2013 (Line 2 or 2A above) has been utilized. Enter the amount from Line 13 above on Form IT-540, Line 12B. Stop here; you are finished with the worksheet.	15		
Use Line 16 to determine what amount of your 2013 Child Care Credit you can claim.				
16	If Line 14 above is less than zero, the amount on Line 12 above is the amount of your 2013 Child Care Credit. Enter the amount from Line 12 above on Form IT-540, Line 12B.	16		
Use Line 17 to determine the amount of your 2013 Child Care Credit to be carried forward to 2014.				
17	If Line 14 above is less than zero, subtract Line 12 from Line 13 to compute your Child Care Carryforward to 2014. Enter the result here and keep this amount for your records.	17		.00

X DO NOT ATTACH THIS WORKSHEET TO YOUR RETURN.

2013 Louisiana Nonrefundable School Readiness Credit Worksheet *(For use with Form IT-540)*

R.S. 47:6104 provides a School Readiness Credit in addition to the credit for child care expenses as provided under 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 Children and Family Services. The qualifying child care facility must have provided the taxpayer with Form R-10614 which verifies the facility's name, the state license number, the LA Revenue Account number, the Quality Rating, and the rating award date.

1	Enter the amount of 2013 Louisiana Nonrefundable Child Care Credit found on the Louisiana Nonrefundable Child Care Credit Worksheet on either Line 2 or Line 2A.	1		.00
2	Using the star rating of the child care facility that your qualified dependent attended during 2013, shown on Form R-10614, enter the number of your qualified dependents under age six who attended a: Five Star Facility _____ and multiply the number by 2.0 . . . . . (i) _____ . _____ Four Star Facility _____ and multiply the number by 1.5 . . . . . (ii) _____ . _____ Three Star Facility _____ and multiply the number by 1.0 . . . . . (iii) _____ . _____ Two Star Facility _____ and multiply the number by .50 . . . . . (iv) _____ . _____ On Form IT-540, Line 12D enter in the boxes designated for 5, 4, 3, or 2 the number of your qualified dependents as shown above for the associated star rated facility.			
3	Add lines (i) through (iv). Be sure to include the decimal.	3	X _____._____	
4	Multiply Line 1 by the total on Line 3. If the number results in a decimal, round to the nearest dollar. This is your available Nonrefundable School Readiness Credit for 2013.	4		.00
5	Enter the amount from Form IT-540, Line 11.	5		.00
6	Add the amounts of Nonrefundable credits from Form IT-540, Lines 12B, 12C, 13, and 14.	6		.00
7	Subtract Line 6 from Line 5.	7		.00
8	If Line 7 is less than or equal to zero, your entire School Readiness Credit for 2013 (Line 4) will be carried forward to 2014. Also, any available carryforward from 2009 through 2012 will be carried forward to 2014. If Line 7 above is less than or equal to zero, enter zero "0" on Form IT-540, Line 12D and 12E. Stop here; you are finished with the worksheet.			
Use Lines 9 through 12 to determine the amount of Nonrefundable School Readiness Credit Carryforward from 2009 through 2012 utilized for 2013.				
9	If Line 7 above is greater than zero, enter the amount from Line 7.	9		.00
10	Enter the amount of any School Readiness Credit Carryforward from 2009 through 2012.	10		.00
11	Subtract Line 10 from Line 9.	11		.00
12	If Line 11 is less than or equal to zero, the amount of School Readiness Credit Carryforward used for 2013 is equal to Line 9. Enter the amount from Line 9 on Form IT-540, Line 12E. If Line 11 is less than zero, subtract Line 9 from Line 10 and enter the result here. This amount is your unused School Readiness Credit Carryforward from 2009 through 2012 that can be carried forward to 2014. Also, your entire School Readiness Credit for 2013 (Line 4) will be carried forward to 2014. Stop here; you are finished with the worksheet.	12		.00
Use Lines 13 through 17 to determine the amount of School Readiness Credit Carryforward utilized from 2009 through 2012 plus any amount of your 2013 School Readiness Credit.				
13	If Line 11 above is greater than zero, enter the amount of carryforward shown on Line 10 above on Form IT-540, Line 12E.			
14	If Line 11 is greater than zero, enter the amount from Line 11.	14		.00
15	Enter the amount of your 2013 School Readiness Credit (Line 4 above).	15		.00
16	Subtract Line 15 from Line 14.	16		.00
17	If Line 16 is greater than or equal to zero, your entire School Readiness Credit for 2013 (Line 4) has been utilized. Enter the amount from Line 15 on Form IT-540, Line 12D. Stop here; you are finished with the worksheet.			
Use Line 18 to determine what amount of your 2013 School Readiness Credit you can claim.				
18	If Line 16 is less than zero, the amount on Line 14 is the amount of your 2013 School Readiness Credit. Enter the amount from Line 14 above on Form IT-540, Line 12D.			
Use Line 19 to determine the amount of your 2013 School Readiness Credit to be carried forward to 2014.				
19	If Line 16 is less than zero, subtract Line 14 from 15 to compute your School Readiness Carryforward to 2014. Enter the result here and keep this amount for your records.	19		.00

ATTACH TO RETURN IF COMPLETED.

2013 Louisiana Refundable Child Care Credit Worksheet *(For use with Form IT-540)*

Your Name	Social Security Number

Your Federal Adjusted Gross Income must be $25,000 or less in order to complete this form. See instructions on page 31.

1. **Care Provider Information Schedule –** Complete columns A through D for each person or organization that provided care to your child. You may use Federal Form W-10, supplied by your provider, to obtain the information. If your care provider does not provide a Federal Form W-10, complete those parts of the Care Provider Information Schedule for which you have the information. You must follow the same rules of "Due Diligence" as the IRS requires if you do not have all of the care provider information. See IRS 2013 Publication 503 for information on "Due Diligence." If additional lines are required for Lines 1 or 2, attach a schedule. **Falsification of any information provided on this form constitutes fraud and can result in criminal penalties.**

Care Provider Information Schedule

A	B	C	D	
Care provider's name	Address (number, street, apartment number, city, state, and ZIP)	Identifying number (SSN or EIN)	Amount paid (See instructions.)	
				.00
				.00
				.00
				.00
				.00

2. For each child under age 13, enter their name in column E, their Social Security Number in column F, and the amount of Qualified Expenses you incurred and paid in 2013 in column G. See the definitions on page 31 for information on Qualified Expenses.

E		F	G	
Qualifying person's name First	Last	Qualifying person's Social Security Number	Qualified expenses you incurred and paid in 2013 for the person listed in column (E)	
				.00
				.00
				.00
				.00
				.00

3	Add the amounts in column G, Line 2. Do not enter more than $3,000 for one qualifying person or $6,000 for two or more persons. Enter this amount here and on Form IT-540, Line 19A.	3		.00
4	Enter your earned income. See the definitions on page 31.	4		.00
5	If married filing jointly, enter your spouse's earned income (if your spouse was a student or was disabled, see IRS Publication 503). All other filing statuses, enter the amount from Line 4.	5		.00
6	Enter the smallest of Lines 3, 4, or 5. Enter this amount on Form IT-540, Line 19B.	6		.00
7	Enter your Federal Adjusted Gross Income from Form IT-540, Line 7, or Schedule E, Line 1 if filed.	7		.00
8	Enter on Line 8 the decimal amount shown below that applies to the amount on Line 7.	8	X ._____	

If Line 7 is: over	but not over	decimal amount
$0	$15,000	.35
$15,000	$17,000	.34
$17,000	$19,000	.33
$19,000	$21,000	.32
$21,000	$23,000	.31
$23,000	$25,000	.30

9	Multiply Line 6 by the decimal amount on Line 8.	9		.00
10	Multiply Line 9 by 50 percent and enter this amount on Line 11.	10	X .50	
11	Enter this amount on Form IT-540, Line 19.	11		.00

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ATTACH THIS WORKSHEET TO YOUR RETURN

2013 Louisiana Refundable School Readiness Credit Worksheet *(For use with Form IT-540)*

Your Name	Social Security Number

R.S. 47:6104 provides a School Readiness Credit in addition to the credit for child care expenses as provided under R.S. 47:297.4. To qualify for this credit, the taxpayer must have Federal Adjusted Gross Income of $25,000 or less 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 Children and Family Services. The qualifying child care facility must have provided the taxpayer with Form R-10614 which verifies the facility's name, the state license number, the LA Revenue Account number, the Star Rating, and the rating award date.

Complete this worksheet only if you claimed a Louisiana Refundable Child Care Credit on Form IT 540, Line 19.

1. Enter the amount of 2013 Louisiana Refundable Child Care Credit on the Louisiana Refundable Child Care Credit Worksheet, page 35, Line 11 . . . . . 1 _____ .**00**

   Using the Star Rating of the child care facility that your qualified dependent attended during 2013, shown on Form R-10614, determine the applicable percentage for the School Readiness Credit from the chart shown below:

A Quality Rating	B Percentages for Star Rating
Five Star	200% (2.0)
Four Star	150% (1.5)
Three Star	100% (1.0)
Two Star	50% (.50)
One Star	0% (.00)

2. Enter the number of your qualified dependents **under age six** who attended a:

   Five Star Facility _____ and multiply the number by 2.0 . . . . . (i) _____ . _____

   Four Star Facility _____ and multiply the number by 1.5 . . . . . (ii) _____ . _____

   Three Star Facility _____ and multiply the number by 1.0 . . . . . (iii) _____ . _____

   Two Star Facility _____ and multiply the number by .50 . . . . . (iv) _____ . _____

3 Add lines (i) through (iv) and enter the result. Be sure to include the decimal. . . . . 3 _____ . _____

4 Multiply Line 1 by the total on Line 3. If the number results in a decimal, round to the nearest dollar and enter the result here and on Form IT-540, Line 20. . . . . 4 _____ .**00**

On Form IT-540, Line 20 enter in the boxes designated for 5, 4, 3, or 2 the number of your qualified dependents as shown on Line 2 above for the associated star rated facility.

2013 Louisiana Earned Income Credit Worksheet

R.S. 47:297.8 allows a refundable credit for resident individuals who claimed and received a Federal Earned Income Credit (EIC). The Federal EIC is available for certain individuals who work, have a valid Social Security Number, and have a qualifying child, or are between ages 25 and 64. These individuals cannot be a qualifying child or dependent of another person.

Complete only if you claimed a Federal Earned Income Credit (EIC)

1 Federal Earned Income Credit – Enter the amount from Federal Form 1040EZ, Line 8a, OR Federal Form 1040A, Line 38a , OR Federal Form 1040, Line 64a. . . . . 1 _____ .**00**

2 Multiply Line 1 above by 3.5 percent, round to the nearest dollar, and enter the result on Line 3. . . . . 2 **X .035**

3 Enter this amount on Form IT-540, Line 21 . . . . . 3 _____ .**00**

X DO NOT ATTACH THIS WORKSHEET TO YOUR RETURN.

Interest and Penalty Calculation Worksheets

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

1. A 2013 calendar year return is due on or before May 15, 2014.
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 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 2014 interest rate is posted on LDR's website on Form R-1111, Interest Rate Schedule Collected on Unpaid Taxes. To compute the DAILY INTEREST RATE, multiply the 2014 monthly interest rate by 12 then divide the result by 365 and carry out to seven places to the right of the decimal. Example: Assume the 2014 monthly interest rate is 0.5833 percent, multiply 0.00583 by 12 then divide the result by 365 to get the daily interest rate of 0.0001917.

Interest Calculation Worksheet		
1	Number of days late from the due date.	
2	**Daily interest rate** (See instructions above.)	0.
3	Interest rate (Multiply Line 1 by Line 2.)	
4	Amount you owe (Form IT-540, Line 36)	.00
5	Total interest due (Multiply Line 4 by Line 3, and enter the result on Form IT-540, Line 42.)	.00

Delinquent Filing Penalty – A delinquent filing penalty will be charged for failure to file a return on or before your due date, or your approved extension date. The penalty is five percent of the tax for each 30 days or fraction thereof during which the failure to file continues. By law, the maximum delinquent filing penalty that can be imposed is 25 percent of the tax due.

Delinquent Filing Penalty Calculation Worksheet		
1	Number of days late from your due date, or your approved extension date.	
2	Divide Line 1 by 30 days.	÷30
3	Number of 30-day periods (If fraction of days remain, increase to nearest whole number.)	
4	30-day penalty percentage	.05
5	Total penalty percentage (Multiply Line 3 by Line 4. The result cannot exceed 25 percent.)	
6	Amount you owe (Form IT-540, Line 36.)	.00
7	Total amount of delinquent filing penalty due (Multiply Line 6 by Line 5 and enter the result on Form IT-540, Line 43.)	.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 mentioned above, you may also incur a negligence penalty if circumstances indicate willful negligence or intentional disregard of rules and regulations.

Delinquent Payment Penalty – If you fail to pay 90 percent of the tax due by the due date, 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.

To determine if you owe a delinquent payment penalty, answer the following questions:

1. Are you paying a 2013 tax liability after the due date? If yes, continue to Line 2.
2. Have you paid at least 90 percent of total tax due?

a. Enter the amount from Form IT-540, Line 18.	.00
b. Enter the amount from Form IT-540, Line 19.	.00
c. Add the amounts from Form IT-540, Lines 20 through 23.	.00
d. Subtract Lines b and c from Line a above.	.00
e. Multiply Line d by 10 percent.	.00
f. Enter the amount from Form IT-540, Line 36.	.00

If the amount on Line f is less than or equal to the amount on Line e, you have paid at least 90 percent of the total tax due. If the amount on Line f is greater than the amount on Line e, you have not paid at least 90 percent of the total tax due by the due date; therefore, you owe the delinquent payment penalty. 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 36.)	.00
7	Total amount of Delinquent Payment Penalty (Multiply Line 6 by Line 5 and enter the result on Form IT-540, Line 44.)	.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, Resident Underpayment Penalty Return 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 31 – Although you may have an overpayment, if you failed to sufficiently pay income tax throughout the year, in accordance with R.S. 47:117.1, you may be subject to the underpayment penalty. Complete the 2013 Form R-210R available on LDR's website and enter the amount from Line 19 on this line. Attach the completed R-210R to your return. If you are a farmer, mark the box on Line 30.

Line 45 – If you have a tax deficiency, you may be charged an underpayment penalty. Complete the 2013 Form R-210R and enter the amount from Line 19 on this line. Attach the completed R-210R to your return. If you are a farmer, mark the box on Line 45.