

Revenue Information Bulletin No. 10-006
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Individual Income Tax

Withholding Income Tax under the Military Spouses Residency Relief Act

The Military Spouses Residency Relief Act (the Act), which amends the Servicemembers Civil Relief Act, was signed into law as Public law No. 111-97 on November 11, 2009. The Act is effective for tax years beginning 2009 and thereafter. It does not affect taxes imposed or paid for 2008 and earlier.

Military Spouse

The Act amends the Servicemembers Civil Relief Act to provide that the spouse of a servicemember shall neither lose nor acquire a residence or domicile for purposes of income taxation because of being absent or present in a state solely to be with the servicemember in compliance with the servicemember's military orders. The Act applies to spouses of servicemembers serving in most branches of the military, including the Coast Guard. However, it does not apply to spouses of the National Guard because members of the National Guard live and serve in their state of domicile.

Military Spouse Income Tax Exemption

A military spouse's income from wages, interest, or dividends earned in Louisiana is not considered income earned in Louisiana if:

- (1) The servicemember is present in Louisiana in compliance with the servicemember's military orders;
- (2) The spouse is not a resident or domiciliary of Louisiana; and
- (3) The spouse is present in Louisiana solely to be with the servicemember.

Withholding Tax

A military spouse whose wages are exempt from Louisiana income tax under the Act may claim an exemption from Louisiana withholding tax by filing Form L-4E "Exemption from Withholding Louisiana Income Tax" with their employer. Form L-4E expires at the end of the year. Therefore, a military spouse must file a Form L-4E each year if the spouse qualifies for the exemption.

A military spouse must revoke the exemption certificate within tens days from the day the spouse no longer meets the provisions of the Act. To discontinue or revoke the exemption, a military spouse must file a new Employee's Withholding Exemption Certificate (Form L-4) with their employer. Forms L-4E and L-4 can be found on our website at www.revenue.louisiana.gov.

If you have any questions, please contact the Customer Service Division at (225) 219-7448.

Cynthia Bridges
Secretary