



Historical Note: For purposes of this Revenue Ruling, the assumption is made that the single member limited liability company has not elected to be treated as a corporation for federal income tax purposes.

**Revenue Ruling
No. 03-006
December 8, 2003
Corporation Income Tax**

Corporation Income Tax Treatment of Single Member LLCs

This Revenue Ruling addresses the corporate income tax treatment of single member limited liability companies (LLCs).

Under the provisions of La. Rev. Stat. Ann. § 12:1368, the LLC is treated and taxed for state income tax purposes in the same manner that it is treated and taxed for federal income tax purposes. Under Internal Revenue Service Regulations § 301.7701-3(b)(1)(ii), a single member LLC is considered to be a “disregarded entity.” It is considered a division of its corporate owner under § 301.7701-2(a). All of its assets, liabilities, income, deductions, and credits are reported on the federal income tax return of its single member, the corporation. Therefore for state income tax purposes, the LLC is taxable as a “disregarded entity” and a division of the corporation.

The corporation will compute its Louisiana income tax liability in the same manner as any other corporation. If either the corporation or the LLC has nexus with Louisiana, then there is nexus for the corporation.

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