

First, does Louisiana support electronic payment of the amount due with the electronically file extension? **Yes, we will accept a direct debit payment.**

Per your e-File Handbook, if the taxpayer chooses to make a payment by check with an e-File extension, they are required to attach their payment to the Form LA 8453C. **The taxpayer should submit the corporation payment voucher R6004 with the payment.**

If you do support the electronic payment, does that mean the taxpayer does not have to submit the LA 8453C? **The tax preparer should maintain a copy of the LA8453 in their file for 3 years along with the extension or return filed and all attachments.**

Second, does Louisiana support PDF Attachments for the extension return? **Yes.**

To clarify, in your response to the requirement of the taxpayer to attach their payment to the Form LA 8453C, you state that the taxpayer should submit the payment voucher R6004 with their payment. Does this mean that they should not submit the Form LA 8453C at all? **The LA8453C is a signature document to be maintained in their records for 3 years. It should be sent to us if we request it. We will be updating our handbook shortly.**

Is the LADOR planning on observing Emancipation Day – or April 16th, 2012?

Emancipation Day is not a federal holiday, however it is a holiday for the District of Columbia and therefore is observed as a holiday by the IRS. This came up earlier this year, about whether we would recognize it as a holiday for the 2010 individual income tax returns. Based on the draft instructions for the 2011 1040, the due date for the 1040 is April 18th instead of the 15th.

Louisiana Administrative Code 61:I.4910.E.3 provides that when the statutory filing due date, without regard to extensions, falls on a Saturday, Sunday, Federal Reserve holiday, or legal State of Louisiana holiday, the payment is due on or before the next business day. Emancipation Day is not a holiday for Louisiana or the Federal Reserve.

Even though the Emancipation Day is not a Federal Reserve or State of Louisiana holiday, Louisiana technically does not recognize this holiday. Should Federal extend the due date because of Emancipation Day, will Louisiana's returns be due the same day as the Federal or that Monday April 16th, 2012?

As of today, the due date for the Louisiana corporation income & franchise tax return is April 16th.

One quick question – can a Louisiana partnership be amended? And if so, is there a specific policy that our customers should file when they amend the Louisiana return (e.g. Mail in amended return & write “Amended” at the top of the return?)

Yes, they can amend and will designate by writing “amended” at the top.

Just say a Corporation/S-Corporation decides to file more than one Schedule INFO – perhaps the business conducts operations in more than three Louisiana parishes or the business owns more than 50% of the voting stock of other affiliates.

Would this business be able to file more than one schedule INFO & how would this multiple INFO schedules be reported in the MeF record?

They need to complete one Schedule INFO and if there is not enough room for the requested information, they can attached a schedule that contains the information.

One question about the LA CRP/SBS packages:

If a returns has no Gross Receipts/Sales but has other income (eg Dividends/Interest etc) – should the other income items that make up LA taxable income flow to line E of the LA620/LA620S?

If they are asking about what belongs on Line E of the CIFT 620 (page 1), they need to report the gross revenues which includes all income.

Any word yet on whether the mandate for electronically filing extensions for Corporate and/or Partnership will be in place for TY2011?

LDR is proceeding with issuing a notice of intent to amend the regulations to mandate the electronic filing of a request for an extension to file a Corporation income & franchise return.

There has been no discussions about a mandate for the extension request for the partnership return.

1. When and how will software developers receive information on the mandate concerning electronic filing of extensions?
2. When will software developers receive corporate extension schemas and scenarios?
3. The guide states “If the electronic application for filing extensions cannot be accepted for processing electronically, the taxpayer must file a paper application for filing extension.” Will software developers be able to duplicate Form 620EXT and have an approved and able to file version of this form for our users?

Question #1, A Notice of Intent to amend current regulations to mandate the electronic filing of extensions will be publicize in the Louisiana Register. The noticed is also posted on LDR’s website and announced through LDR’s policy statement subscription service.

Question #2, You will be notified when they are completed.

Question #3 can’t be answered until a draft of the proposed regulation is released.

In the Corporate and S-Corporate packages, the taxpayer is allowed to deduct Dividends and Interest from Federal Net Income on the Schedule G. However, I don't see this entry on the Schedule D. Given this, I read over sections 287.71 & 287.73 but I didn't see any mention of the deductions for the Dividend/Interest within either of these sections.

My question is:

- Should Dividend and Interest be deducted on the Schedule D ?
- If so, should Dividend and Interest be deducted on line 11 of the Schedule D?

Schedule D is used by 100% Louisiana corporations. These taxpayers can report the deduction for interest and dividends on Schedule D, Line 11. A schedule must be attached listing the items.

THE SMALL EMPLOYER HEALTH INSURANCE CREDIT REQUIRES YOU TO REDUCE YOUR HEALTH INSURANCE DEDUCTION BY THE AMOUNT OF THE CREDIT ON THE FEDERAL RETURN.

MY SOFTWARE IS TREATING THE SMALL EMPLOYER HEALTH INSURANCE CREDIT THE SAME AS IF IT WERE A DISASTER CREDIT...IN OTHER WORDS, IT IS ADJUSTING THE FEDERAL AGI TO DEDUCT THE SMALL EMPLOYER HEALTH INSURANCE CREDIT TO GET TO LOUISIANA AGI. IT'S SHOWING UP ON THE 280C ADJUSTMENT LINE OF LA RETURN. IS THIS CORRECT?

IF SO, I ASSUME WE SHOULD ALSO INCREASE THE FEDERAL TAX DEDUCTION FOR THE CREDIT TAKEN ON THE FEDERAL BUT NOT ALLOWED ON LA.

I DON'T REMEMBER READING ANY BULLETINS ABOUT THIS BUT MY SOFTWARE IS PRETTY SOPHISTICATED AND I DON'T WANT TO OVERRIDE IT IF THE ADJUSTMENTS ARE CORRECT.

The SMALL EMPLOYER HEALTH INSURANCE CREDIT is not like the disaster credits and should not be treated as such for Louisiana. There is no adjustments to the federal income tax deduction for it.

However, under R.S. 47:293(9)(ix) we would allow the add back of any deductions disallowed by IRC 280C in calculating Louisiana taxable income for individuals. R.S. 47:287.73(C)(4) allows the add back of deductions disallowed under IRC Section 280C in calculating Louisiana taxable income for corporations. Therefore the amount of premiums disallowed under IRC Section 280C due to the tax credit provisions in the Patient Protection and Affordable Care Act can be added back in calculating taxable income for Louisiana.

On 2010 IT-540, this would be done on Schedule E, line 5B. On 2010 IT-540B, on Line 28 of the Nonresident and part-year resident worksheet. On 2010 CIFT-620, either Schedule D, line 9 or Schedule G as a subtraction. On the partnership return, you would notate the amount on Schedule K and also on the K-1 as a flow-thru items to the partner.

1. Does Louisiana allow partial payments when filing the Corporate Income/Franchise Tax? I ask this because the LA 8453 Form has a section for Full Payment, Partial Payment, and Payment made/will be made by credit card. LA 8453C does not have these options. Do you expect taxpayers filing the LA 8453C to always make a full payment by one method only? **Yes you can make a partial payment with the LA 8453C.**
2. In The underpayment of estimates penalty was waived in 2009 and 2010. Will the LA DOR support or waive this penalty for 2011? **As of today, LDR is not enforcing a penalty for the underpayment of estimated taxes by a corporation.**
3. <http://www.rev.state.la.us/sections/business/corp.aspx> still lists Revised Statute 47:287.614 and #4 as an option to extend. However, this information is false because I received information in February 2011 that Louisiana does NOT allow Form 7004, IRS Automatic Extension of Time to File as a way to extend the Louisiana Corporate Return. Will this information be updated for the 2011 tax season? If not, will Louisiana start accepting a paper copy of the Federal Form 7004 as a valid Louisiana extension for Corporate/Franchise tax returns? **R.S. 47:287.614 states that the secretary may grant a reasonable extension of time for filing returns, not to exceed seven months from the date the Louisiana income tax return is due or the extended due date of the federal income tax return, whichever is later. This is implemented through rules, LAC 61:III.2503 in particular. In November 2010 LDR issued a notice of intent to amend this rule to require the electronic filing of the extension request and thereby eliminating the acceptance of the federal extension as a Louisiana request. In January 2011 LDR decided not to proceed with this rule and started accepting copies of the federal extension that had the taxpayers Louisiana corporation income and franchise tax account number clearly notated at the top of the form. However, as of this date, the department is still considering to mandate the electronic filing of extensions for the 2011 tax season.**

We are beginning development planning for our tax year 2011 software product and would like to inquire about the status of your electronic filing and 2D mandates for Corporations and Partnerships (1120/1065) for next tax year (TY 2011). Are you anticipating any new mandates or changes to the mandates currently in place? Are mandates being enforced? If so, could you please either forward the actual mandates/legislation to me or direct me to where I can locate it online?

Louisiana currently does not have any electronic filing mandates for the Corporation or Partnership tax returns however, there is a possibility of an electronic filing mandate of the extensions requests for both Corporation and Partnerships. We do mandate that tax payments must be made electronically if the tax reported in a year is more than \$5,000.

Revised Statutes 47:1520(A)(f) allows LDR to require the electronic filing of any similar return or report that is required to be filed electronically by the IRS. This could be used in the future to mandate the electronic filing of certain corporation income tax returns. By law, all electronic filing mandates are implemented by administrative rule. When we decide to implement a mandate, we will first issue a notice of intent to propose or amend the rules. These are published on our [website](#) or you can also sign up for our policy statement subscription service which will notify you when a notice of intent, among other things, is issued.