

Who must file?

If you are a contractor and have registered to remit non-employee compensation, as provided by the reduced-bond provisions under LAC 61.I.4373, you should file this return to remit withholding on all non-employee compensation paid during each calendar quarter for which the contract exists.

Non-employee compensation – Which payments require withholding

Withholding is required on all payments to an individual who is not an employee subject to normal Louisiana wage withholding and whose payments for a calendar year exceed \$600.00 or more. Payments include, but are not limited to, fees, commissions, awards or any other form of compensation. Payments to corporations, partnerships or limited liability companies are not included.

Services subject to withholding include, but are not limited to:

- Labor
- Construction, including payment for parts or materials used to perform the construction
- Legal services
- Accounting services
- Repairs

Withholding Rate

The withholding tax rate on non-employee compensation is 4.2%.

Filing Requirements

A return is due for each calendar quarter. The due date is on or before the last day of the month following the taxable period and becomes delinquent on the first day thereafter.

Instructions

Line 1 – Enter the total amount of non-employee compensation paid during the calendar quarter.
(Round to the nearest dollar.)

Line 2 – Multiply the amount in Line 1 by 4.2%. (Round to the nearest dollar.)

Line 3 – Delinquent penalty is calculated at 5% of the tax on Line 2 for each 30 days or fraction thereof, not to exceed 25% in the aggregate.

Line 4 – Interest – Refer to the Tax Interest Rate Schedule (R-1111) for monthly interest rates that apply.
Form R-1111 is available on the Department's website at www.revenue.louisiana.gov.

Line 5 – Total tax, penalty, and interest due. Add Lines 2, 3 and 4. Remit payment to the Department. Do not send cash.