

HCR 11 Task Force-May 20, 2016

**DRAFT RESOLUTION: Withholding of Non-resident and Other Income
(Withholding at the Source)**

Proposed By: Kimberly Robinson

Louisiana does not currently have any laws requiring withholding of income at the source for non-wage income, with the exception of a recently enacted statute that requires withholding with respect to earnings associated with the motion picture investor tax credit;

Alabama, Georgia and Mississippi require withholding by purchasers or buyers on the proceeds paid to non-resident sellers on the sale or transfer of real property. South Carolina requires withholding from sales of real property and from rent and royalty payments made to non-residents;

Louisiana generally has no mechanism to ensure revenues due the state on non-wage income are properly remitted leading to the possibility of loss revenue and loss opportunities to fund state services;

ACCORDINGLY, the Task Force recommends that Louisiana enact legislation expanding withholding at the source requirements for non-wage income, including but not limited to income associated with the transfer or sale of immovable property, rental income, royalty income, and income from service contracts.