

RÉSUMÉ DIGEST**ACT 662 (HB 737)****2016 Regular Session****Abramson**

Existing law requires every employer who is required to deduct and withhold any tax under existing law and every person who deducts and withholds any amount from any wage payments under the authority of existing law to make a calendar quarterly return to the secretary. Further provides for the deadline for the filing of quarterly returns as well as the amount of the tax paid to the department by employers.

Existing law additionally requires every employer to file an annual return with the secretary that reconciles all previously filed quarterly returns for the calendar year together with copies of the receipts required to be furnished for that same period. The secretary is authorized to grant a reasonable extension of time, not in excess of 30 days, for filing of the annual return and to waive the filing requirement for an employer if the employer requests a waiver due to hardship.

Prior law required employers to file the annual return with the secretary on or before the 1st business day following Feb. 27th of each year for the preceding calendar year.

New law changes the date for the filing of the annual return from on or before the 1st business day following Feb. 27th of each year to on or before Jan. 31st of each year.

Existing law provides that the motion picture investor tax credit awards a tax credit for investments made and used for production expenditures in this state for state-certified productions. Therefore, any individual receiving any payments for the performance of services used directly in a production activity, which payments shall be claimed as a production expenditure for purposes of certification of tax credits, is deemed to be receiving La. taxable income whether directly or indirectly through an agent or agency, loan-out company, a personal service company, an employee leasing company, or other entity.

New law adds that these payments are subject to the withholding requirements of state and federal law and regulations.

Existing law provides that any motion picture production company, motion picture payroll services company, or other entity making or causing to be made payments to an individual, or to an agent or agency, loan-out company, personal service company, employee leasing company, or other entity is considered to be paying compensation taxable by this state. Further requires the company or other entity to withhold taxes from those payments at the highest individual rate of 6%, or the highest individual rate in effect at the time.

Existing law requires the company or other entity required to withhold income taxes to electronically report and remit the withholdings to the Dept. of Revenue quarterly. The information required to be reported may be provided to the Dept. of Economic Development and if provided, shall be subject to the confidentiality provisions of existing law.

New law adds an exception to the quarterly reporting and remittance requirement for amounts that are not otherwise subject to the withholding requirements imposed pursuant to state and federal law and regulations.

Applicable to expenditures occurring after Jan. 1, 2016 for productions which receive initial certification on or after Jan. 1, 2016.

Effective upon signature of governor (June 17, 2016).

(Amends R.S. 47:114(E) and 164(D)(2) and §2 of Act No. 425 of the 2015 R.S.)