

2022 Regular Session

HOUSE BILL NO. 287

BY REPRESENTATIVE WILLARD

TAX/OCCUPATIONAL: Requires the annual occupational license tax levied on certain computer programming businesses to be set at a flat rate

1 AN ACT

2 To enact R.S. 47:359(L), relative to occupational license taxes; to provide for the levy of
3 occupational license taxes on certain computer programming businesses; to provide
4 for the rate of the tax; to provide for requirements and limitations; to provide for an
5 effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:359(L) is hereby enacted to read as follows:

8 §359. Businesses where licenses are based on flat fees

9 The following types of business shall obtain an annual license based on the
10 flat fee designated hereafter. For purposes of this Section, the minimum tax noted
11 in R.S. 47:344 for most new businesses for the first year of commencement or
12 fractional part thereof does not apply.

13 * * *

14 L. Computer programming. For each business in which eighty percent of
15 gross revenues of the business comes from providing software as a service,
16 infrastructure as a service, platform as a service, software programming, website
17 hosting, website design, and networking services, the license shall be one-tenth of
18 one percent of the annual gross receipts for professional fees for services rendered
19 by the business, with a minimum tax of fifty dollars and a maximum tax of two
20 thousand dollars. The tax levied herein shall be levied only on the business and not

- 1 separately on any individual who is employed by or is a member of the taxpayer
2 which conducts its business as a firm, partnership, or corporation.
3 Section 2. This Act shall become effective on July 1, 2022.
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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 287 Engrossed

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Abstract: Requires the annual occupational license tax of computer programming businesses that derive 80% of gross revenues from providing computer services to be set at a flat rate of one-tenth of 1% of the annual gross receipts for professional fees for services rendered by the business.

Present law provides for the levy and collection of an occupational license tax which is assessed on persons conducting business. The tax can be either a percentage of gross sales, receipts, loans, or commissions or a flat fee depending upon the classification of the business.

Proposed law requires the annual occupational license tax for a computer programming business which derives 80% of its gross revenues from providing software, infrastructure, or platform as a service, software programming, website hosting, website design, and networking services to be set at a flat rate. Provides that the rate is one-tenth of 1% of the annual gross receipts for professional fees for services rendered by the business, with a minimum tax of \$50 and a maximum tax of \$2,000.

Proposed law requires the annual tax to be levied on the business and not separately on any individual employee or member of the taxpayer which conducts its business as a firm, partnership, or corporation.

Effective July 1, 2022.

(Adds R.S. 47:359(L))