
DIGEST

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SB 159 Engrossed

2025 Regular Session

Cathey

Present law authorizes an individual income tax exemption on 50% of the gross wages of each taxpayer who qualifies as a digital nomad not to exceed \$150,000.

Proposed law retains present law.

Present law authorizes the exemption to apply to taxable years 2022, 2023, 2024, and 2025.

Proposed law expands the years to which the exemption may apply to include 2026 and 2027.

Present law defines a "digital nomad" as an individual who meets certain specific requirements including that the individual works remotely full-time for a nonresident business as provided for by rule by the secretary of the Dept. of Revenue.

Proposed law changes present law to include within the definition of a "digital nomad" an individual who works remotely full-time for a *unit or division* of a nonresident business and includes nonresident businesses legally domiciled in this state that have insubstantial Louisiana-based business activity.

Present law prohibits the exemption for wages of digital nomads earned after Dec. 31, 2025.

Proposed law extends the sunset of the exemption from wages earned after Dec. 31, 2025, to wages earned after Dec. 31, 2027.

Effective August 1, 2025.

(Amends R.S. 47:297.18(B)(2) and (5)(c) and (I))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the engrossed bill:

1. Change the definition of a "digital nomad" to include an individual who works remotely full-time for a *unit or division* of a nonresident business and includes nonresident businesses legally domiciled in this state that have insubstantial Louisiana-based business activity.