



## Employees' Retirement System

City of Baton Rouge  
Parish of East Baton Rouge  
209 St. Ferdinand Street (70802)  
Post Office Box 1471  
Baton Rouge, Louisiana 70821

**LB-4**

Phone: (225) 389-3272  
Fax: (225) 389-5548

To: All Retirees

From: James A. Mack  
Retirement Administrator

Re: Exemption from State Income Tax

Please be advised that your pension payments from the Employees' Retirement System of the City of Baton Rouge and Parish of East Baton are exempt from Louisiana State Income Tax. This includes your regular monthly pension as well as separation pay and DROP disbursements, provided that the payments are disbursed from the Retirement System.

Senate Bill 105 and Act 654 of the Louisiana State Legislature effectively exempted City-Parish retirees from having to pay state income tax on their City-Parish retirement pensions. This exemption began in 1978 and remains in effect today.

The Louisiana Department of Revenue and Taxation rendered a decision that other pension payments, such as separation pay and DROP account withdrawals are exempt from state income tax pursuant to R.S. 11:1735, provided that they are paid by the Retirement System.

You may wish to provide a copy of this letter to your tax preparer when having your income taxes filed. Should you have any questions regarding this matter, you may contact the Retirement Office at (225) 389-3272.

Sincerely,

James A. Mack  
Retirement Administrator