
SENATE COMMITTEE AMENDMENTS

2016 Second Extraordinary Session

Amendments proposed by Senate Committee on Revenue and Fiscal Affairs to Original Senate Bill No. 13 by Senator Morrell

1 AMENDMENT NO. 1

2 On page 1, line 3, delete "to provide for nonseverability;" and insert " to provide for certain
3 deductions for purposes of calculating individual income tax liability; to reduce the
4 deduction for certain net capital gains;"

5 AMENDMENT NO. 2

6 On page 2, line 4, after "in this state." delete the remainder of the line

7 AMENDMENT NO. 3

8 On page 2, delete lines 5 through 10, and insert:

9 **"The provisions of this Item shall apply only to the sale or exchange of an equity**
10 **interest in or the assets of a nonpublicly traded business that have been held by**
11 **the taxpayer for a minimum of five years immediately prior to the sale or**
12 **exchange. The amount of the deduction shall be limited as follows:**

13 **(aa) For the sale or exchange of an equity interest in or substantially all**
14 **of the assets of an entity domiciled in the state for five years or greater, but less**
15 **than ten years, prior to the sale or exchange, the capital gains deduction shall**
16 **be fifty percent.**

17 **(bb) For the sale or exchange of an equity interest in or substantially all**
18 **of the assets of an entity domiciled in the state for ten years or greater, but less**
19 **than fifteen years, prior to the sale or exchange, the capital gains deduction**
20 **shall be sixty percent.**

21 **(cc) For the sale or exchange of an equity interest in or substantially all**
22 **of the assets of an entity domiciled in the state for fifteen years or greater, but**
23 **less than twenty years, prior to the sale or exchange, the capital gains deduction**
24 **shall be seventy percent.**

25 **(dd) For the sale or exchange of an equity interest in or substantially all**
26 **of the assets of an entity domiciled in the state for twenty years or greater, but**
27 **less than twenty-five years, prior to the sale or exchange, the capital gains**
28 **deduction shall be eighty percent.**

29 **(ee) For the sale or exchange of an equity interest in or substantially all**
30 **of the assets of an entity domiciled in the state for twenty-five years or greater,**
31 **but less than thirty years, prior to the sale or exchange, the capital gains**
32 **deduction shall be ninety percent.**

33 **(ff) For the sale or exchange of an equity interest in or substantially all**
34 **of the assets of an entity domiciled in the state for thirty years or greater, the**
35 **capital gains deduction shall be one hundred percent.**

36 * * *

37 Section 2. The provisions of this Act shall be applicable to sales or
38 exchanges of equity interests or assets that occur on or after the effective date of this
39 Act."

40 AMENDMENT NO. 4

41 On page 2, line 11, delete "Section 2." and insert "Section 3."