

1 **§ 293.1. Regulation requirement for capital gains deduction**

2 **A. The secretary of the Louisiana Department of Revenue shall**
3 **promulgate regulations providing for the individual income tax deduction for**
4 **income from net capital gains arising from the sale or exchange of an equity**
5 **interest in or substantially all of the assets of a nonpublicly traded corporation,**
6 **partnership, limited liability company, or other business organization**
7 **commercially domiciled in Louisiana under R.S. 47:293(9)(a)(xvii) and (10).**

8 **B. The purpose of the regulations shall be to reduce the existing**
9 **administrative requirements for eligible taxpayers.**

10 **C. Such regulations shall, at a minimum, provide for the following:**

11 **(1) Documentation requirements applicable to taxpayers claiming the**
12 **deduction.**

13 **(2) A de minimus exception to documentation requirements for small**
14 **transactions eligible for the deduction.**

15 **(3) Restrictions on eligibility for transactions if the majority of physical**
16 **assets are located outside of Louisiana.**

17 **(4)Restrictions on eligibility for transactions between related parties."**