
DIGEST

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HB 821 Original

2015 Regular Session

Leger

Abstract: Removes the requirement that capital gains be treated as arising from the sale of certain equity interests in order to be eligible for the individual income tax deduction for net capital gains.

Present law provides for an individual income tax deduction for income from net capital gains, which is limited to gains recognized and treated for federal income tax purposes as arising from the sale or exchange of an equity interest in or substantially all of the assets of a non-publicly traded corporation, partnership, limited liability company, or other business organization commercially domiciled in this state.

Proposed law removes the limitation in present law that requires capital gains to be treated for federal income tax purposes as arising from the sale or exchange of certain equity interests. Proposed law retains the limitation in present law that requires the gains to be recognized for federal income tax purposes on the sale or exchange of certain equity interests.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 47:293(9)(a)(xvii))