
DIGEST

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HB 50 Original

2016 Second Extraordinary Session

Montoucet

Abstract: Reduces the individual income tax deduction for net capital gains.

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

Proposed law reduces the amount of the deduction in present law from 100% of the amount of the gains recognized to 50% of the gains recognized.

Applicable to taxable periods beginning on or after Jan. 1, 2016.

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

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