
HOUSE COMMITTEE AMENDMENTS

2016 Second Extraordinary Session

 Amendments proposed by House Committee on Ways and Means to Original House Bill No. 50 by Representative Montoucet

 1 AMENDMENT NO. 1

 2 On page 1, at the end of line 18, delete "fifty percent" and at the beginning of line 19, delete
 3 "of the"

 4 AMENDMENT NO. 2

5 On page 2, at the end of line 2, insert the following:

 6 "The provisions of this Item shall apply only to a business in which the taxpayer was
 7 employed or in which the taxpayer materially participated for five years and which
 8 has been held for a minimum of five years immediately prior to its sale. The amount
 9 of the deduction shall be limited as follows:

 10 (I) For the sale or exchange of an equity interest of an entity domiciled in the
 11 state for five years or greater, but less than ten years, prior to the sale or exchange,
 12 the capital gains deduction shall be fifty percent.

 13 (II) For the sale or exchange of an equity interest of an entity domiciled in the
 14 state for ten years or greater, but less than fifteen years, prior to the sale or exchange,
 15 the capital gains deduction shall be sixty percent.

 16 (III) For the sale or exchange of an equity interest of an entity domiciled in
 17 the state for fifteen years or greater, but less than twenty years, prior to the sale or
 18 exchange, the capital gains deduction shall be seventy percent.

 19 (IV) For the sale or exchange of an equity interest of an entity domiciled in
 20 the state for twenty years or greater, but less than twenty-five years, prior to the sale
 21 or exchange, the capital gains deduction shall be eighty percent.

 22 (V) For the sale or exchange of an equity interest of an entity domiciled in
 23 the state for twenty-five years or greater, but less than thirty years, prior to the sale
 24 or exchange, the capital gains deduction shall be ninety percent.

 25 (VI) For the sale or exchange of an equity interest of an entity domiciled in
 26 the state for thirty years or greater, the capital gains deduction shall be one hundred
 27 percent.

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 29 AMENDMENT NO. 3

 30 On page 2, line 4, after "applicable" delete the remainder of the line and delete line 5 in its
 31 entirety and insert "to sales or exchanges in equity interests that occur on or after the
 32 effective date of this Act."