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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Leonore Heavey.

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DIGEST

SB 13 Original

2016 Second Extraordinary Session

Morrell

Present law provides for an individual income tax deduction for net capital gains attributable to the sale or exchange of an equity interest in or the assets of a privately held business commercially domiciled in this state.

Present law provides that acts of the legislature are severable and that the invalidity of one provision of the act does not invalidate other provisions of the act that can be given effect without the invalid provision.

Proposed law retains the capital gains deduction provided in present law.

Proposed law adds a nonseverability provision to the capital gains deduction that will invalidate the entire deduction if any provision of the deduction is determined to be invalid under the state or federal constitution by a final nonappealable judgment.

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

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