
DIGEST

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HB 639 Original

2023 Regular Session

Freiberg

Abstract: Repeals the individual income tax deduction for net capital gains for resident and nonresident taxpayers.

Present law relative to individual income tax establishes definitions of "tax table income" (referred to informally as "taxable income") for resident and nonresident individuals, respectively.

Present law provides for deductions from tax table income for net capital gains for both resident and nonresident individuals. Proposed law repeals present law.

Proposed law applies to taxable periods beginning on or after Jan. 1, 2024. Stipulates that no deduction for net capital gains shall be allowed for sales or exchanges of equity interests or assets occurring before Jan. 1, 2024, and that a deduction for net capital gains shall only be allowed for gains reportable as installment sales pursuant to applicable provisions of the federal Internal Revenue Code (26 U.S.C. 453).

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

(Amends R.S. 47:293(10); Repeals R.S. 47:293(9)(a)(xvii))