

Regular Session, 2014

SENATE BILL NO. 99

BY SENATOR RISER

BANKS/BANKING. Provides for determining the fair market value of bank stock for purposes of tax assessment. (8/1/14)

1 AN ACT

2 To amend and reenact R.S. 47:1967(D), relative to listing and assessment of bank stock; to
3 provide for determining the fair market value of bank stock; and to provide for
4 related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:1967(D) is hereby amended and reenacted to read as follows:

7 §1967. Listing and assessment of bank stock; procedure

8 * * *

9 D. For the purposes in determining the fair market value of bank stock, the
10 following criteria shall be used: stockholder equity as defined in Subsection C above
11 shall serve as a four times factor, eighty percent; annual net earnings of the
12 individual banking institution shall serve as a one time factor, twenty percent.
13 Annual net earnings shall be adjusted to remove that portion of earnings based on
14 United States obligations by deducting a percentage of annual net earnings based on
15 the ratio of interest on United States obligations to total operating income. Negative
16 earnings shall ~~not be considered~~ **be included** in this formula, ~~and~~ **but** there shall be
17 no earnings loss carried forward or backward. For the purpose of computing the one

