

1 H.14

2 Introduced by Representative Fisher of Lincoln

3 Referred to Committee on

4 Date:

5 Subject: Taxation; income taxes; capital gains

6 Statement of purpose: This bill proposes to change the capital gains exemption
7 from 40 percent of federal adjusted gross income to a flat \$20,000.00.

8 AN ACT RELATING TO CAPITAL GAINS EXEMPTION

9 It is hereby enacted by the General Assembly of the State of Vermont:

10 Sec. 1. 32 V.S.A. § 5811(21)(B) is amended to read:

11 (21) "Taxable income" means federal taxable income determined
12 without regard to Section 168(k) of the Internal Revenue Code and:

13 * * *

14 (B) Decreased by the following items of income (to the extent such
15 income is included in federal adjusted gross income):

16 (i) income from United States government obligations; and

17 (ii) ~~40 percent~~ up to \$20,000.00 of adjusted net capital gain

18 income as defined in Section 1(h) of the Internal Revenue Code, ~~but the total~~

19 ~~amount of decrease under this subdivision (ii) shall not exceed 40 percent of~~

20 ~~federal taxable income.~~

1 Sec. 2. EFFECTIVE DATE

2 This act shall apply to tax year 2010 and after.