

1 H.XXX (Revenue bill DR 19-1295)

2 Representative Brennan of Colchester moves that the bill be amended in
3 Sec. 1 (capital gains) by striking out the section in its entirety and inserting in
4 lieu thereof the following:

5 * * * Capital Gains Exclusion * * *

6 Sec. 1. 32 V.S.A. § 5811 is amended to read:

7 § 5811. DEFINITIONS

8 The following definitions shall apply throughout this chapter unless the
9 context requires otherwise:

10 * * *

11 (21) “Taxable income” means, in the case of an individual, federal
12 adjusted gross income determined without regard to 26 U.S.C. § 168(k) 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 * * *

17 (ii) with respect to adjusted net capital gain income as defined in
18 26 U.S.C. § 1(h) reduced by the total amount of any qualified dividend
19 income: either the first \$5,000.00 of such adjusted net capital gain income; or
20 40 30 percent of adjusted net capital gain income from the sale of assets held

1 by the taxpayer for more than three years, except not adjusted net capital gain
2 income from:

3 (I) the sale of any real estate or portion of real estate used by
4 the taxpayer as a primary or nonprimary residence; or

5 (II) the sale of depreciable personal property other than farm
6 property and standing timber; or stocks or bonds publicly traded or traded on
7 an exchange, or any other financial instruments; regardless of whether sold by
8 an individual or business; and provided that the total amount of decrease under
9 this subdivision (21)(B)(ii) shall not exceed 40 30 percent of federal taxable
10 income;

11 * * *

12 (28) “Taxable income” means, in the case of an estate or a trust, federal
13 taxable income determined without regard to 26 U.S.C. § 168(k) and:

14 * * *

15 (B) decreased by the following items of income:

16 * * *

17 (ii) with respect to adjusted net capital gain income as defined in
18 26 U.S.C. § 1(h), reduced by the total amount of any qualified dividend
19 income: either the first \$5,000.00 of such adjusted net capital gain income; or
20 40 30 percent of adjusted net capital gain income from the sale of assets held

1 by the taxpayer for more than three years, except not adjusted net capital gain
2 income from:

3 (I) the sale of any real estate or portion of real estate used by
4 the taxpayer as a primary or nonprimary residence; or

5 (II) the sale of depreciable personal property other than farm
6 property and standing timber; or stocks or bonds publicly traded or traded on
7 an exchange, or any other financial instruments; regardless of whether sold by
8 an individual or business; and provided that the total amount of decrease under
9 this subdivision (28)(B)(ii) shall not exceed ~~40~~ 30 percent of federal taxable
10 income; and

11 * * *

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