

# Hall of the House of Representatives

89th General Assembly - Regular Session, 2013

## Amendment Form

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### Subtitle of House Bill No. 1866

TO ADOPT CURRENT INTERNAL REVENUE CODE PROVISIONS CONCERNING THE COMPUTATION OF INCOME TAX WHEN A TAXPAYER RESTORES AN AMOUNT HELD UNDER A CLAIM OF RIGHT.

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### Amendment No. 1 to House Bill No. 1866

Amend House Bill No. 1866 as originally introduced:

Page 1, delete line 27, and substitute the following:

"(a) Title 26 U.S.C. § 1341(a)(1)-(3) and (b)(2), as they existed on January 1, 2013, regarding the"

AND

Page 1, delete line 30, and substitute the following:

"liability under this chapter.

(b)(1) Title 26 U.S.C. § 1341(a)(4) and (5), (b)(1), and (b)(3)-(5), concerning the methods of calculating the deduction authorized under 26 U.S.C. § 1341 and special rules for net operating losses and capital losses, are not adopted.

(2) For the purpose of computing income tax when a taxpayer restores a substantial amount held under a claim of right under this section:

(A) The tax imposed under this chapter is calculated for the taxable year by allowing a deduction in the tax year the taxpayer restores the amount held under a claim of right; and

(B) Net operating losses and capital losses are calculated and deducted under §§ 26-51-427 and 26-51-815.

(c) The Director of the Department of Finance and Administration may promulgate rules to administer this section."



The Amendment was read \_\_\_\_\_

By: Representative Kerr

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Chief Clerk