

HOUSE FLOOR AMENDMENT EXPLANATION



Bill Number: **HB 2383**

Olson Floor Amendment

HB 2383 alters language regarding the sale price of land when calculating deductions to the prime contracting classification.

Your 11 line substitute floor amendment to the Ways and Means Committee amendment dated 2/25/15 at 8:18 am:

- Adds language regarding the sale price of land when calculating deductions to the prime contracting classification, which include:
 - The portion of the gross proceeds of sales or gross income attributable to does not exceed fair market value, this deduction for land:
 - ❖ Is not condition on a separate statement of a price for land in a transaction where the land is not being sold separately under the terms of the contract.
 - ❖ May not include amounts attributable to any mark-up unless the mark-up is necessary to establish the true value of land transactions between affiliated persons.

Amendment explanation prepared by Ryan Sullivan

Phone Number 60602-926-5654

rls

2/25/2015

OLSON SUBSTITUTE FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2383

I move the following SUBSTITUTE amendment to the WAYS AND MEANS Committee Amendment
to

HOUSE BILL 2383 (Reference to printed bill)

1 Page 1, strike lines 17 and 18, insert:

2 "1. THE PORTION OF THE GROSS PROCEEDS OF SALES OR GROSS INCOME
3 ATTRIBUTABLE TO LAND, NOT TO EXCEED THE FAIR MARKET VALUE OF LAND. THIS
4 DEDUCTION FOR LAND:

5 (a) IS NOT CONDITIONED ON A SEPARATE STATEMENT OF A PRICE FOR LAND IN
6 A TRANSACTION WHERE LAND IS NOT BEING SOLD SEPARATELY UNDER THE TERMS OF THE
7 CONTRACT.

8 (b) MAY NOT INCLUDE AMOUNTS ATTRIBUTABLE TO ANY MARKUP UNLESS THE
9 MARKUP IS NECESSARY TO ESTABLISH THE TRUE VALUE OF LAND TRANSACTIONS BETWEEN
10 AFFILIATED PERSONS."

11 Amend title to conform

JUSTIN OLSON

2383jo1
02/25/2015
01:26 PM
C: dmt