

there should be any limitations by rule on how the methodology for determining fair and equitable compensation to owners in interest adopted by the commissioner, whether a pre-application conference process should be included, how the release of pertinent data should be addressed, what information should be included in a permit application for unit operation, how proposed revisions to applications should be handled, requirements for opposition and support of applications, whether a commissioner's conference should be authorized, what should be the timelines for filings, requirements for hearing continuance, rules of procedure for hearings, consideration of new evidence that becomes available after the proceedings have been initiated, penalties for non-compliance with the rules, time for commencement, and unit and survey plat requirements.

Comments are requested to be submitted to Office of Conservation, Geological Oil and Gas Division, c/o Reid Bohlinger, 617 North Third Street, 9<sup>th</sup> Floor, Baton Rouge, LA 70802 by no later than September 9, 2024.

Benjamin Bienvenu  
Commissioner

2408#057

## POTPOURRI

### Department of Environmental Quality Office of the Secretary Legal Affairs Division

#### Regional Haze Second Planning Period State Implementation Plan (SIP) Revision

Under the authority of the Louisiana Environmental Quality Act, R.S. 30:2051 et seq., the secretary gives notice that the Office of Environmental Assessment, Air Planning and Assessment Division, will submit to the Environmental Protection Agency (EPA) a revision to the Louisiana State Implementation Plan (SIP) for Regional Haze, namely the Regional Haze Second Planning Period, as required by CFR 51.308(g). (2408Pot1)

The regional haze rule requires a comprehensive analysis of each state's regional haze SIP every 10 years and a progress report every five years. This 10-year review is intended to provide an update to Louisiana's regional haze SIP. This update provides an opportunity for public input on the state's and EPA's comprehensive revision to Louisiana's regional haze SIP.

All interested persons may submit written comments concerning the revision no later than 4:30 p.m., Tuesday, September 24, 2024, to Arlys Dalton, Office of Environmental Assessment, P.O. Box 4314, Baton Rouge, LA. 70821-4314, or by E-mail at arlys.dalton@la.gov. A public hearing will be granted upon request. The deadline for requesting a public hearing is Friday, September 6, 2024. The revision is available for review via LDEQ's electronic document management service (EDMS), AI# 174156, or at LDEQ Headquarters, 602 North 5th Street, Baton Rouge, Louisiana, 70802.

Aurelia S. Giacometto  
Secretary

2408#055

## POTPOURRI

### Department of Revenue Tax Policy and Planning Division

#### Notice of Public Hearing—Changes to Proposed Rule Net Capital Gains Deduction (LAC 61:I.1312)

The Department of Revenue published a Notice of Intent to promulgate LAC 61:I.1312 in the February 20, 2024 edition of the *Louisiana Register* (LR 50:313-315). There was one attendee from the Society of Louisiana Certified Public Accountants at the public hearing held on March 28, 2024 and written comments were received by two interested parties. Based on the comments provided and further consideration, the department is amending the proposed Rule as provided below.

The proposed Rule has been revised to add definitions for the terms "controlled entities," "net assets," and "gross assets", to clarify the eligibility requirements for immovable and tangible movable assets relative to R.S. 47:293.2(B)(3), and to make a technical correction. The proposed Rule was further revised to reduce the percentage of real property required to be located in Louisiana from 75 percent or more to more than 50 percent.

No fiscal or economic impact is expected from the changes to the proposed Rule.

#### Title 61

#### REVENUE AND TAXATION

#### Part I. Taxes Collected and Administered by the Secretary of Revenue

#### Chapter 13. Income: Individual

#### §1312. Net Capital Gains Deduction

A. General. R.S. 47:293(9)(a)(xvii) and (10) provide a deduction for resident individuals and nonresident individuals ("taxpayers"), respectively, for net capital gains resulting from the sale or exchange of an equity interest in, or from the sale or exchange of substantially all of the assets of a non-publicly traded corporation, partnership, limited liability company, or other business organization ("business") commercially domiciled in Louisiana.

#### B. Definitions

*Capital Gains from the Sale or Exchange of the Assets of a Business*—capital gains from sales and exchanges that are reported on Federal Form 4797—Sales of Business Property, the gains from which are reportable on Schedule D of Federal Form 1040.

*Commercial Domicile*—the principal place from which the business is directed or managed.

*Controlled Entities*—with respect to a business or taxpayer

a. a corporation in which more than 50 percent of the value of the outstanding stock is owned (directly or indirectly) by or for the taxpayer or business,

b. a partnership in which more than 50 percent of the capital interest or profits interest is owned (directly or indirectly) by or for the taxpayer or business, and

c. any entity which is a related person to the taxpayer or business pursuant to paragraph (3), (10), (11), or (12) of 26 U.S.C § 267(b).

*Equity Interest*—an ownership interest in a business that is not publicly traded, such as stock in a corporation, a partnership interest in a partnership, or a membership interest in a limited liability company.

*Net Assets*—the total value of gross assets after deducting liabilities reportable or would be reportable on the Federal Form 1120, Schedule L if the form was required to be filed at time of sale as total assets at the end of the year.

*Net Capital Gains*—the amount reported as capital gains on the Federal Form 1040.

*Gross Assets*—the total value of assets reportable or would be reportable on the Federal Form 1120, Schedule L if the form was required to be filed at time of sale as total assets at the end of the year without regard to location of the assets and excluding any negative values reported on Lines 1-13.

*Related Party*—

a. a business or taxpayer and all entities which are controlled entities with respect to such business or taxpayer;

b. a business or taxpayer and any trust in which such business or taxpayer (or his spouse) is a beneficiary, unless such beneficiary's interest in the trust is five percent or less of the value of the trust property; and

c. except in the case of a sale or exchange in satisfaction of a pecuniary bequest, a taxpayer who is an executor of an estate and a beneficiary of such estate.

*Sale or Exchange of an Equity Interest*—a sale or exchange of an equity interest that is reportable on Schedule D of Federal Form 1040—Capital Gains and Losses.

*Sale or Exchange of Substantially all of the Assets of a Business*—a sale or exchange of assets that leaves the entity unable to carry-on its business. A sale or exchange of assets is presumed to be a sale or exchange of substantially all of the assets of the business if the selling business transfers at least 90 percent of the fair market value of the net assets and at least 70 percent of the fair market value of the gross assets that it held immediately before the transfer.

#### C. Documentation Requirements

1. Taxpayers claiming the deduction shall submit the following documentation at the time of filing their Louisiana individual income tax return claiming the deduction:

a. a completed Louisiana Form R-6180, Net Capital Gains Deduction Worksheet;

b. documentary evidence of the date the taxpayer acquired an equity interest in the business, such as articles of incorporation or organization, acts of sale or exchange, or donative instruments;

c. a copy of the taxpayer's federal Schedule K-1, if applicable, from the entity from which the gain was derived; and

d. a complete copy of the taxpayer's Federal Form 1040 filed with the IRS for the period in which the gain was recognized, including the Schedule D and any corresponding schedules and forms.

2. In addition to the documentation required by Paragraph 1 above, when the capital gain for which a

deduction is being claimed is greater than \$250,000, taxpayers shall also submit the following at the time of filing their Louisiana individual income tax return claiming the deduction:

a. copies of the last two returns on which the income from the business was reported. If the gain is derived from a partnership, provide Form IT-565, Louisiana Partnership Return of Income, for the last two years.

b. If the gain is derived from a pass-through entity, provide detailed information on the pass-through structure, such as a complete organizational chart showing each tier between the taxpayer and the entity from which the gain is derived.

c. If the gain is from the sale of assets, the taxpayer shall also provide the following:

i. a depreciation schedule or fixed asset schedule showing a calculation of gross to net asset values; and

ii. an allocation of purchase price among assets as required by IRC Section 1060, and generally reportable on IRS Form 8594.

#### D. Eligibility Restrictions

1. Net capital gains resulting from the sale or exchange of real property or other immovable assets may qualify for the deduction if more than 50 percent of the real property or other immovable assets are located within Louisiana, provided however, that the income from the related business was subject to Louisiana income tax prior to the sale or exchange.

2. Net capital gains resulting from the sale or exchange of tangible movable assets may qualify for the deduction if during the three years immediately preceding the sale or exchange, the tangible movable assets are located within Louisiana for at least 50 percent of the time in which the assets are in service, provided however, that the income from the related business was subject to Louisiana income tax prior to the sale or exchange. "In service" shall have the same meaning as it does for the purposes of calculating depreciation.

3. Net capital gains from the sale or exchange of an equity interest or from the sale or exchange of substantially all assets shall not qualify for the deduction if the transaction transfers ownership of the interest or assets to a related party.

E. The accrual of refund interest shall be suspended during any period of time that a delay in allowance or approval of the deduction is attributable to the taxpayer's failure to provide information or documentation required herein.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 47:293(9)(a)(xvii) and (10), 47:293.2 and 47:1511.

**HISTORICAL NOTE:** Promulgated by the Department of Revenue, Tax Policy and Planning Division, LR 50:

#### Public Comments

Any interested person may submit written data, views, arguments or comments regarding these proposed amendments to Christina Junker, Attorney, Tax Policy and Planning Division, Office of Legal Affairs by mail to P.O. Box 44098, Baton Rouge, LA 70804-4098. All comments must be received no later than 4 p.m., Tuesday, September 24, 2024.

#### Public Hearing

A public hearing will be held on Wednesday, September 25, 2024, at 10 a.m. in the LaBelle Room, on the first floor

of the LaSalle Building, 617 North Third Street, Baton Rouge, LA 70802. Should individuals with a disability need an accommodation in order to participate, contact Christina Junker at the address given above in the Public Comments section, by email at LDRadarequests@la.gov, or by phone at (225) 219-2780.

Richard Nelson  
Secretary

2408#058

**POTPOURRI**

**Workforce Commission  
Office of Workers' Compensation Administration**

**Weekly Compensation Benefits Limits**

Pursuant to R.S. 23:1202, and based on the statewide average weekly wage as determined by the Louisiana Workforce Commission, the following limits shall apply to weekly compensation benefits for claimants injured during the period September 1, 2024 through August 31, 2025.

	<b>Average Weekly Wage</b>	<b>Maximum Comp</b>	<b>Minimum Comp</b>
Sept 1, 2001-Aug 31, 2002	530.43	398.00	106.00
Sept 1, 2002-Aug 31, 2003	554.31	416.00	111.00
Sept 1, 2003-Aug 31, 2004	572.53	429.00	114.00
Sept 1, 2004-Aug 31, 2005	584.40	438.00	117.00
Sept 1, 2005-Aug 31, 2006	605.46	454.00	121.00
Sept 1, 2006-Aug 31, 2007	637.19	478.00	127.00
Sept 1, 2007-Aug 31, 2008	696.00	522.00	139.00
Sept. 1, 2008-Aug. 31, 2009	728.10	546.00	146.00
Sept. 1, 2009-Aug. 31, 2010	768.83	577.00	154.00
Sept. 1, 2010-Aug. 31, 2011	772.18	579.00	154.00
Sept. 1, 2011-Aug. 31, 2012	789.00	592.00	158.00
Sept. 1, 2012-Aug. 31, 2013	807.07	605.00	161.00
Sept. 1, 2013-Aug. 31, 2014	825.54	619.00	165.00
Sept. 1, 2014-Aug. 31, 2015	839.76	630.00	168.00
Sept. 1, 2015-Aug. 31, 2016	865.31	649.00	173.00
Sept. 1, 2016-Aug. 31, 2017	876.00	657.00	175.00
Sept. 1, 2017-Aug. 31, 2018	870.00	653.00	174.00
Sept. 1, 2018-Aug. 31, 2019	886.38	665.00	177.00
Sept. 1, 2019-Aug. 31, 2020	916.85	688.00	183.00
Sept. 1, 2020-Aug. 31, 2021	940.00	705.00	188.00
Sept. 1, 2021-Aug. 31, 2022	990.85	743.00	198.00
Sept. 1, 2022-Aug. 31, 2023	1027.69	771.00	206.00
Sept. 1, 2023-Aug. 31, 2024	1088.07	816.00	218.00
Sept. 1, 2024-Aug. 31, 2025	1127.21	845.00	225.00

<b>Average Weekly Wage</b>	<b>Maximum Compensation</b>	<b>Minimum Compensation</b>	<b>Mileage Reimbursement</b>
\$1127.21	\$845.00	\$225.00	* .67 cents per mile
*Effective January 1, 2024 the mileage reimbursement is \$0.67 per mile pursuant to R.S. 23:1203(D).			

This information updates R.S. 23:1202 of the Louisiana Workers Compensation Act.

Actual wages are to be paid if the wages are less than the minimum.

Brian Blackwood  
Assistant Secretary

2408#056