**A** **BILL**

TO AMEND SECTION 12‑6‑1150, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO NET CAPITAL GAIN, SO AS TO ALLOW A ONE HUNDRED PERCENT DEDUCTION OF NET CAPITAL GAIN RECOGNIZED IN THIS STATE IF THE NET CAPITAL GAIN RESULTS FROM A REAL ESTATE TRANSACTION.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 12‑6‑1150 of the 1976 Code, as last amended by Act 387 of 2000, is further amended by adding an appropriately numbered subsection at the end to read:

“( ) Notwithstanding any other provision of this section, individuals, estates, and trusts are allowed a deduction from South Carolina taxable income equal to one hundred percent percent of net capital gain recognized in this State during a taxable year if the net capital gain results from a real estate transaction. In the case of estates and trusts, the deduction is applicable only to income taxed to the estate or trust or individual beneficiaries and not income passed through to nonindividual beneficiaries.”

SECTION 2. This act takes effect upon approval by the Governor and applies to taxable years beginning after December 31, 2011.

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