

A BILL

20-945

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA



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To amend Chapter 18 of Title 47 of the District of Columbia Code to establish the tax rate for a capital gain from a sale or exchange of an investment in a Qualified High Technology Company that meets the specified requirements.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Promoting Economic Growth and Job Creation through Technology Act of 2014”.

Sec. 2. Chapter 18 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding a new section designation to read as follows:

“47-1817.07a. Tax on capital gain from the sale or exchange of a Qualified High Technology Company investment.”.

(b) A new section 47-1817.07a is added to read as follows:

“§ 47-1817.07a. Tax on capital gain from the sale or exchange of a Qualified High Technology Company investment.

“For tax years beginning after December 31, 2018, notwithstanding any other provision of this chapter and in lieu of the tax imposed by §§ 47-1806.03(a)(7)(A), 47-1807.02(a)(4), and

1 47-1808.03(a)(4), the tax on a capital gain from the sale or exchange of an investment in a  
2 Qualified High Technology Company, as defined in § 47-1817.01(5)(A), shall be at the rate of  
3 3% if:

- 4 “(1) The investment was made after the effective dates of this Act;  
5 “(2) The investment was held by the investor for at least 24 continuous months;  
6 “(3) At the time of the investment, the stock of the Qualified High Technology  
7 Company was not publicly traded; and  
8 “(4) The investment is in common or preferred stock of the Qualified High  
9 Technology Company.

10 Sec. 3. Fiscal impact statement.

11 The Council adopts the fiscal impact statement in the committee report as the fiscal  
12 impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act,  
13 approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

14 Sec. 4. Effective date.

15 This act shall take effect following approval by the Mayor (or in the event of veto by the  
16 Mayor, action by the Council to override the veto), a 30-day period of congressional review as  
17 provided in section 602 (c)(1) of the District of Columbia Home Rule Act, approved December  
18 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02 (c)(1)), and publication in the District of  
19 Columbia Register.