

1 holds more than \$20,000,000 in assets in the State; provided
2 that the individual taxpayer's net worth shall be based on the
3 individual's assets, not joint assets, and a married individual
4 shall file a separate return; provided further that if the
5 taxpayer pays a wealth asset tax on the same asset in a
6 different state, the amount paid to the other state shall be
7 subtracted from the state tax liability.

8 (b) A taxpayer's state net worth shall be determined
9 pursuant to rules adopted by the department; provided that a
10 taxpayer's state net worth shall include but not be limited to
11 the aggregate value of assets in the following categories:

- 12 (1) Real Property;
- 13 (2) Stock in any publicly and privately traded
14 C-corporation;
- 15 (3) Stock in any S-corporation;
- 16 (4) Interests in any partnership;
- 17 (5) Interests in any private equity or hedge fund;
- 18 (6) Interests in any other noncorporate business;
- 19 (7) Bonds and interest-bearing savings accounts;
- 20 (8) Cash and deposits;
- 21 (9) Farm assets;



- 1 (10) Interest in mutual funds or index funds;
2 (11) Put and call options on securities;
3 (12) Futures contracts;
4 (13) Art and collectables;
5 (14) Financial assets held offshore;
6 (15) Pension funds;
7 (16) Debts owed to the taxpayer; and
8 (17) Other assets.

9 § -4 Reporting and payment. (a) Assets used to
10 determine state net worth pursuant to section -3(b) shall be
11 reported in a form and manner specified by the director.

12 (b) The tax imposed by this chapter shall be reported
13 with, and payable at the same time as, taxes imposed pursuant to
14 chapter 235.

15 § -5 Assets belonging to dependents. For the purpose of
16 determining state net worth and tax liability under this
17 chapter, any assets belonging to a person who can be claimed as
18 a dependent that are in excess of \$50,000 shall be deemed to be
19 assets of the taxpayer who can claim the person as a dependent.

20 § -6 Valuation of assets. Valuation or appraisal of
21 assets reported pursuant to section -3(b) shall be done in a



1 manner specified by the director in accordance with rules
2 adopted by the department.

3 § -7 **Forms.** The director shall prescribe forms to be
4 used in filing return and reports required by this chapter.

5 § -8 **Rules.** The department shall adopt rules in
6 accordance with chapter 91 to implement this chapter."

7 SECTION 2. The department of taxation shall submit
8 proposed legislation suggesting the types of debts to be
9 considered in determining net worth, methods to be used for
10 valuation of assets, time periods for which valuation of assets
11 shall occur, methods for allocation and apportionment,
12 withholding requirements, reporting requirements, limitation
13 periods, and audit and assessment provisions to the legislature
14 no later than forty days prior to the convening of the regular
15 session of 2024.

16 SECTION 3. Every provision in this Act and every
17 application of each provision in this Act is severable from each
18 other. If any application of any provision in this Act to any
19 person or group of persons or circumstances is determined by any
20 court to be invalid, the remainder of this Act and the
21 application of the Act's provisions to all other persons and



1 circumstances shall not be affected. All constitutionally valid
2 applications of this Act shall be severed from any applications
3 that a court determines to be invalid or unenforceable, leaving
4 the valid applications in force, because it is the legislature's
5 intent that all valid applications shall remain in force.

6 SECTION 4. This Act shall take effect on March 22, 2075:
7 provided that this Act shall apply to taxable years beginning
8 after December 31, 2025.



Report Title:

Wealth Asset Tax; Wealth Tax; Department of Taxation; State Net Worth

Description:

Establishes a wealth asset tax of one percent of the state net worth of each individual taxpayer who holds \$20,000,000 or more in assets in the State. Takes effect 03/22/75. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

