

Chapter 4

Capital Gains Tax

82.87.050(1) - Real estate excluded from capital gains

Description The capital gains tax does not apply to the sale or exchange of real estate.

Purpose To avoid taxing the sale or exchange of real estate. To prevent double taxing transactions subject to the real estate excise tax.

Taxpayer savings (\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$970.000	\$1,020.000	\$1,050.000	\$1,030.000
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Repeal of exemption Repealing this exemption would increase revenues.

Potential revenue gains from full repeal (\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.000	\$0.000	\$1,000.000	\$980.000
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Assumptions

- This repeal takes effect January 1, 2025, and impacts 12 months of collections in fiscal year 2026.
- Growth rate mirrors the long-term capital gains growth rate reflected in the Economic and Revenue Forecast Council's March 2023 forecast.
- Approximately 50% of taxpayers with capital gains from the sale or exchange of interest in a privately held entity use the privately held entity exemption because not all privately held entities own real estate.
- Individuals with estimated payments:
 - Will receive refunds in fall 2023, 12% of the estimated payments.
 - Will use deductions at the same frequency as return filers with similar amounts of tax due.
- Repealing this exemption will not impact the capital gains tax credit amount against the B&O tax.

Data Sources

- Department of Revenue, Excise tax data
- Economic and Revenue Forecast Council, March 2023 forecast
- Internal Revenue Service (2022), Publication 6149 calendar year return projections by state: 2021–2028
- Internal Revenue Service (2022), Sales of Capital Assets Reported on Individual Tax Returns
- Internal Revenue Service (n.d.), Historic Table 2, Tax Year 2015

82.87.050(1) - Real estate excluded from capital gains

**Additional
Information**

Additional Information	
Category:	Individuals
Year Enacted:	2021
Primary Beneficiaries:	Individuals with capital gains from real estate transactions
Taxpayer Count:	5,400
Program Inconsistency:	None evident
JLARC Review:	No review completed

82.87.050(2) - Interest held in a privately-held entity excluded from capital gains

Description The capital gains tax does not apply to capital gains derived from the sale or exchange of an interest in a business (or other privately held entity), only to the extent that such capital gains resulted from the sale of real estate directly owned by the business.

Purpose To avoid taxing the sale or exchange of real estate.

Taxpayer savings (\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$12.200	\$12.900	\$13.300	\$13.600
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Repeal of exemption Repealing this exemption would increase revenues.

Potential revenue gains from full repeal (\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.000	\$0.000	\$12.600	\$12.900
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

- Assumptions**
- This repeal takes effect January 1, 2025, and impacts 12 months of collections in fiscal year 2026.
 - Growth rate mirrors the long-term capital gains growth rate reflected in the Economic and Revenue Forecast Council's March 2023 forecast.
 - Approximately 50% of taxpayers with capital gains from the sale or exchange of interest in a privately held entity use the privately held entity exemption because not all privately held entities own real estate.
 - Individuals with estimated payments:
 - Will receive refunds in fall 2023, amounting to 12% of the estimated payments.
 - Will use deductions at the same frequency as return filers with similar amounts of tax due.
 - Repealing this exemption will not impact the capital gains tax credit amount against the B&O tax.

82.87.050(2) - Interest held in a privately-held entity excluded from capital gains

- Data Sources**
- Department of Revenue, Excise tax data
 - Economic and Revenue Forecast Council, March 2023 forecast
 - Internal Revenue Service (2022), Publication 6149 calendar year return projections by state: 2021–2028
 - Internal Revenue Service (2022), Sales of Capital Assets Reported on Individual Tax Returns
 - Internal Revenue Service (n.d.), Historic Table 2, Tax Year 2015
-

Additional Information

Additional Information	
Category:	Individuals
Year Enacted:	2021
Primary Beneficiaries:	Individuals with capital gains from interest held in a privately held entity
Taxpayer Count:	3,000
Program Inconsistency:	None evident
JLARC Review:	No review completed

82.87.050(3) - Assets held in certain retirement accounts

Description The capital gains tax does not apply to capital gains derived from the sale or exchange of assets held in most types of retirement accounts.

Purpose To avoid taxing the sale or exchange of retirement income.

Taxpayer savings (\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	CTI	CTI	CTI	CTI
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Repeal of exemption Repealing this exemption would increase revenues.

Potential revenue gains from full repeal (\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.000	CTI	CTI	CTI
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Assumptions - This exemption impacts fewer than five taxpayers; any impacts are confidential.

Data Sources

- Department of Revenue, Excise tax data
- Economic and Revenue Forecast Council, March 2023 forecast
- Internal Revenue Service (2022), Publication 6149 calendar year return projections by state: 2021–2028
- Internal Revenue Service (2022), Sales of Capital Assets Reported on Individual Tax Returns
- Internal Revenue Service (n.d.), Historic Table 2, Tax Year 2015

Additional Information

Additional Information	
Category:	Individuals
Year Enacted:	2021
Primary Beneficiaries:	Individuals with certain types of retirement accounts
Taxpayer Count:	Fewer than five
Program Inconsistency:	None evident
JLARC Review:	No review completed

82.87.050(4) - Assets subject to condemnation, or sold or exchanged under imminent threat of condemnation

Description The capital gains tax does not apply to capital gains derived from the sale or exchange of assets under threat of condemnation.

Purpose To avoid taxing the sale or exchange of condemned assets.

Taxpayer savings *(\$ in millions):*

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$2.880	\$3.050	\$3.140	\$3.110
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Repeal of exemption Repealing this exemption would increase revenues.

Potential revenue gains from full repeal *(\$ in millions):*

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.000	\$0.000	\$2.980	\$2.950
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Assumptions

- This repeal takes effect January 1, 2025, and impacts 12 months of collections in fiscal year 2026.
- Growth rate mirrors the long-term capital gains growth rate reflected in the Economic and Revenue Forecast Council's March 2023 forecast.
- Individuals with estimated payments:
 - Will receive refunds in fall 2023, amounting to 12% of the estimated payments.
 - Will use deductions at the same frequency as return filers with similar amounts of tax due.
- Repealing this exemption will not impact the capital gains tax credit amount against the B&O tax.

Data Sources

- Department of Revenue, Excise tax data
- Economic and Revenue Forecast Council, June 2023 forecast
- Internal Revenue Service (2022), Publication 6149 calendar year return projections by state: 2021–2028
- Internal Revenue Service (2022), Sales of Capital Assets Reported on Individual Tax Returns
- Internal Revenue Service (n.d.), Historic Table 2, Tax Year 2015

82.87.050(4) - Assets subject to condemnation, or sold or exchanged under imminent threat of condemnation

Additional Information

Additional Information	
Category:	Individuals
Year Enacted:	2021
Primary Beneficiaries:	Individuals with capital gains from condemned assets
Taxpayer Count:	40
Program Inconsistency:	None evident
JLARC Review:	No review completed

82.87.050(5) - Certain livestock related to farming or ranching

Description The capital gains tax does not apply to capital gains derived from the sale or exchange of cattle, horses, or breeding livestock for individuals who earn the majority of their income from farming or ranching.

Purpose To avoid taxing farmers and ranchers.

Taxpayer savings

(\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$20.200	\$21.400	\$22.000	\$21.600
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Repeal of exemption

Repealing this exemption would increase revenues.

Potential revenue gains from full repeal

(\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.000	\$0.000	\$20.900	\$20.500
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Assumptions

- This repeal takes effect January 1, 2025, and impacts 12 months of collections in fiscal year 2026.
- Growth rate mirrors the long-term capital gains growth rate reflected in the Economic and Revenue Forecast Council's March 2023 forecast.
- Individuals with estimated payments:
 - Will receive refunds in fall 2023, amounting to 12% of the estimated payments.
 - Will use deductions at the same frequency as return filers with similar amounts of tax due.
- Repealing this exemption will not impact the capital gains tax credit amount against the B&O tax.

Data Sources

- Department of Revenue, Excise tax data
- Economic and Revenue Forecast Council, March 2023 forecast
- Internal Revenue Service (2022), Publication 6149 calendar year return projections by state: 2021–2028
- Internal Revenue Service (2022), Sales of Capital Assets Reported on Individual Tax Returns
- Internal Revenue Service (n.d.), Historic Table 2, Tax Year 2015

82.87.050(5) - Certain livestock related to farming or ranching

Additional Information

Additional Information	
Category:	Individuals
Year Enacted:	2021
Primary Beneficiaries:	Individuals with capital gains from livestock
Taxpayer Count:	600
Program Inconsistency:	None evident
JLARC Review:	No review completed

82.87.050(6) - Assets used in a trade or business to the extent those assets are depreciable

Description The capital gains tax does not apply to the sale or exchange of depreciable assets used in a trade or business.

Purpose To provide a tax preference for businesses.

Taxpayer savings

(\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$1.390	\$1.470	\$1.510	\$1.600
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Repeal of exemption

Repealing this exemption would increase revenues.

Potential revenue gains from full repeal

(\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.000	\$0.000	\$1.430	\$1.520
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Assumptions

- This repeal takes effect January 1, 2025, and impacts 12 months of collections in fiscal year 2026.
- Growth rate mirrors the long-term capital gains growth rate reflected in the Economic and Revenue Forecast Council's March 2023 forecast.
- Individuals with estimated payments:
 - Will receive refunds in fall 2023, amounting to 12% of the estimated payments.
 - Will use deductions at the same frequency as return filers with similar amounts of tax due.
- Repealing this exemption will not impact the capital gains tax credit amount against the B&O tax.

Data Sources

- Department of Revenue, Excise tax data
- Economic and Revenue Forecast Council, March 2023 forecast
- Internal Revenue Service (2022), Publication 6149 calendar year return projections by state: 2021–2028
- Internal Revenue Service (2022), Sales of Capital Assets Reported on Individual Tax Returns- Internal Revenue Service (n.d.), Historic Table 2, Tax Year 2015

82.87.050(6) - Assets used in a trade or business to the extent those assets are depreciable

Additional Information

Additional Information	
Category:	Individuals
Year Enacted:	2021
Primary Beneficiaries:	Individuals with capital gains from depreciable business property
Taxpayer Count:	1,500
Program Inconsistency:	None evident
JLARC Review:	No review completed

82.87.050(7) - Timber, timberlands, and dividends and distributions from real estate investment trusts

Description The capital gains tax does not apply to the sale or exchange of timber or timberland. This exemption also applies to dividends and distributions from real estate investment trusts derived from the sale or exchange of timber or timberland.

Purpose To provide a tax preference for owners of timber and timberland.

Taxpayer savings (\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$9.600	\$10.200	\$10.500	\$10.200
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Repeal of exemption Repealing this exemption would increase revenues.

Potential revenue gains from full repeal (\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.000	\$0.000	\$10.000	\$9.700
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Assumptions

- This repeal takes effect January 1, 2025, and impacts 12 months of collections in fiscal year 2026.
- Growth rate mirrors the long-term capital gains growth rate reflected in the Economic and Revenue Forecast Council's March 2023 forecast.
- Individuals with estimated payments:
 - Will receive refunds in fall 2023, amounting to 12% of the estimated payments.
 - Will use deductions at the same frequency as return filers with similar amounts of tax due.
- Repealing this exemption will not impact the capital gains tax credit amount against the B&O tax.

Data Sources

- Department of Revenue, Excise tax data
- Economic and Revenue Forecast Council, March 2023 forecast
- Internal Revenue Service (2022), Publication 6149 calendar year return projections by state: 2021–2028
- Internal Revenue Service (2022), Sales of Capital Assets Reported on Individual Tax Returns
- Internal Revenue Service (n.d.), Historic Table 2, Tax Year 2015

82.87.050(7) - Timber, timberlands, and dividends and distributions from real estate investment trusts

Additional Information

Additional Information	
Category:	Individuals
Year Enacted:	2021
Primary Beneficiaries:	Individuals with capital gains from timber or timberlands
Taxpayer Count:	140
Program Inconsistency:	None evident
JLARC Review:	No review completed

82.87.050(8) - Commercial fishing privileges

Description The capital gains tax does not apply to the sale or exchange of commercial fishing privileges.

Purpose To provide a tax preference for individuals working in a regulated fishing industry.

Taxpayer savings *(\$ in millions):*

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	CTI	CTI	CTI	CTI
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Repeal of exemption Repealing this exemption would increase revenues.

Potential revenue gains from full repeal *(\$ in millions):*

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.000	CTI	CTI	CTI
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Assumptions - This exemption impacts fewer than five taxpayers; any impacts are confidential.

Data Sources

- Economic and Revenue Forecast Council, March 2023 forecast
- Internal Revenue Service (2022), Sales of Capital Assets Reported on Individual Tax Returns
- Internal Revenue Service (n.d.), Historic Table 2, Tax Year 2015

Additional Information

Additional Information	
Category:	Individuals
Year Enacted:	2021
Primary Beneficiaries:	Individuals with capital gains from the sale of commercial fishing privileges
Taxpayer Count:	Fewer than five
Program Inconsistency:	None evident
JLARC Review:	No review completed

82.87.050(9) - Goodwill received from the sale of a franchised auto dealership

Description The capital gains tax does not apply to goodwill received from the sale of a franchised auto dealership.

Purpose To provide a tax preference for auto dealers.

Taxpayer savings (\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	CTI	CTI	CTI	CTI
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Repeal of exemption Repealing this exemption would increase revenues.

Potential revenue gains from full repeal (\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.000	CTI	CTI	CTI
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Assumptions - This exemption impacts fewer than five taxpayers; any impacts are confidential.

Data Sources

- Department of Revenue, Excise tax data
- Economic and Revenue Forecast Council, March 2023 forecast
- Internal Revenue Service (2022), Publication 6149 calendar year return projections by state: 2021–2028

Additional Information

Additional Information	
Category:	Individuals
Year Enacted:	2021
Primary Beneficiaries:	Individuals with capital gains from the sales of auto dealerships
Taxpayer Count:	Fewer than five
Program Inconsistency:	None evident
JLARC Review:	No review completed

82.87.060(1) - Standard deduction of \$250,000 per year

Description An individual may deduct up to \$250,000 from the taxable amount for tax year 2022. For spouses or domestic partners, their combined standard deduction is limited to \$250,000 regardless of whether filing joint or separate returns. For years 2023 and beyond, the deductible amount is indexed to inflation.

Purpose To avoid taxing individuals with relatively small amounts of Washington capital gains.

Taxpayer savings

(\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$736.000	\$773.000	\$796.000	\$832.000
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Repeal of exemption

Repealing this deduction would increase revenues.

Potential revenue gains from full repeal

(\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.000	\$0.000	\$760.000	\$790.000
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Assumptions

- This repeal takes effect January 1, 2025, and impacts 12 months of collections in fiscal year 2026.
- Growth rate mirrors the long-term capital gains growth rate reflected in the Economic and Revenue Forecast Council's March 2023 forecast.
- Taxpayers with estimated payments:
 - Will receive refunds in fall 2023, amounting to 12% of the estimated payments.
 - Will use deductions at the same frequency as return filers with similar amounts of tax due.
- Eliminating the standard deduction does not impact the amount of the capital gains tax credit applied against the B&O tax.

Data Sources

- Department of Revenue, Excise tax data
- Economic and Revenue Forecast Council, March 2023 forecast
- Internal Revenue Service (2021). Publication 6149 calendar year return projections by state: 2021–2028.
- Internal Revenue Service: Individual income tax returns for tax year 2019

82.87.060(1) - Standard deduction of \$250,000 per year

Additional Information

Additional Information	
Category:	Individuals
Year Enacted:	2021
Primary Beneficiaries:	Individuals with capital gains
Taxpayer Count:	428,000
Program Inconsistency:	None evident
JLARC Review:	No review completed

82.87.060(2) - Amounts the state is prohibited from taxing

Description An individual may deduct amounts the state is prohibited from taxing, whether by federal law or under state law.

Purpose To comply with applicable tax laws.

Taxpayer savings

(\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.000	\$0.000	\$0.000	\$0.000
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Repeal of exemption

Repealing this deduction would not increase revenue because currently no taxpayers use it.

Potential revenue gains from full repeal

(\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.000	\$0.000	\$0.000	\$0.000
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Assumptions

No taxpayers currently use this deduction. We expect no usage during the forecasted period of this study.

Data Sources

Department of Revenue, Excise tax data

Additional Information

Additional Information	
Category:	Individuals
Year Enacted:	2021
Primary Beneficiaries:	None
Taxpayer Count:	0
Program Inconsistency:	None evident
JLARC Review:	No review completed

82.87.060(3) - Qualified family-owned small business deduction

Description If certain conditions are met, an individual may deduct capital gains derived from the sale of substantially all the assets or transfer of the individual’s interest in a “qualified family-owned small business.”

Purpose To avoid taxing the sale of a small business.

Taxpayer savings

(\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$15.000	\$16.000	\$16.000	\$15.000
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Repeal of exemption

Repealing this deduction would increase revenues.

Potential revenue gains from full repeal

(\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.000	\$0.000	\$15.000	\$14.000
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Assumptions

- This repeal takes effect January 1, 2025, and impacts 12 months of collections in fiscal year 2026.
- Growth rate mirrors the long-term capital gains growth rate reflected in the Economic and Revenue Forecast Council's March 2023 forecast.
- Individuals with estimated payments:
 - Will receive refunds in fall 2023, amounting to 12% of the estimated payments.
 - Will use deductions at the same frequency as return filers with similar amounts of tax due.
- Individuals who would have taken the qualified family-owned small business deduction will replace some or all of the deduction with the standard deduction.
- Repealing this deduction will not impact the capital gains tax credit amount against the B&O tax.

Data Sources

- Economic and Revenue Forecast Council, March 2023 forecast
- Internal Revenue Service (2021). Publication 6149 calendar year return projections by state: 2021–2028.
- Department of Revenue, Excise tax data

82.87.060(3) - Qualified family-owned small business deduction

Additional Information

Additional Information	
Category:	Individuals
Year Enacted:	2021
Primary Beneficiaries:	Small business owners
Taxpayer Count:	40
Program Inconsistency:	None evident
JLARC Review:	No review completed

82.87.060(4) - Charitable donation deduction

Description If certain conditions are met, for tax year 2022, an individual may deduct an amount donated to a qualified charity in excess of \$250,000. The maximum deduction amount is \$100,000. These amounts are adjusted annually for inflation. A donation must be for an organization or charity directed or managed within Washington to qualify.

Purpose To incentivize charitable donations.

Taxpayer savings

(\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.279	\$0.295	\$0.304	\$0.296
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Repeal of exemption

Repealing this deduction would increase revenues.

Potential revenue gains from full repeal

(\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.000	\$0.000	\$0.289	\$0.281
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Assumptions

- This repeal takes effect January 1, 2025, and impacts 12 months of collections in fiscal year 2026.
- Growth rate mirrors the long-term capital gains growth rate reflected in the Economic and Revenue Forecast Council's March 2023 forecast.
- Individuals with estimated payments:
 - Will receive refunds in fall 2023, amounting to 12% of the estimated payments.
 - Will use deductions at the same frequency as return filers with similar amounts of tax due.
- Individuals who would have taken the charitable donations deduction will replace some or all of it with the standard deduction.
- Repealing this deduction will not impact the capital gains tax credit amount against the B&O tax.

Data Sources

- Economic and Revenue Forecast Council, March 2023 forecast
- Internal Revenue Service (2021). Publication 6149 calendar year return projections by state: 2021–2028.
- Department of Revenue, Excise tax data

82.87.060(4) - Charitable donation deduction

**Additional
Information**

Additional Information	
Category:	Individuals
Year Enacted:	2021
Primary Beneficiaries:	Individuals with charitable donations
Taxpayer Count:	50
Program Inconsistency:	None evident
JLARC Review:	No review completed

82.87.100(2) - Taxes paid to another jurisdiction

Description A credit against the Washington capital gains tax is allowed for the amount of capital gains taxes paid to another taxing jurisdiction on capital gains derived from sources within the other taxing jurisdiction to the extent the capital gains are included in the measure of the Washington capital gains tax.

Purpose To prevent double taxation.

Taxpayer savings (\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.577	\$0.610	\$0.628	\$0.641
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Repeal of exemption Repealing this credit would increase revenues.

Potential revenue gains from full repeal (\$ in millions):

	FY 2024	FY 2025	FY 2026	FY 2027
State Taxes	\$0.000	\$0.000	\$0.597	\$0.609
Local Taxes	\$0.000	\$0.000	\$0.000	\$0.000

Assumptions

- This repeal takes effect January 1, 2025, and impacts 12 months of collections in fiscal year 2026.
- Growth rate mirrors the long-term capital gains growth rate reflected in the Economic and Revenue Forecast Council's March 2023 forecast.
- Individuals with estimated payments:
 - Will receive refunds in fall 2023, amounting to 12% of the estimated payments.
 - Will use deductions at the same frequency as return filers with similar amounts of tax due.
- Repealing this credit will not impact the capital gains tax credit amount against the B&O tax.

Data Sources

- Department of Revenue, Excise tax data
- Economic and Revenue Forecast Council, March 2023 forecast
- Internal Revenue Service (2021). Publication 6149 calendar year return projections by state: 2021–2028.

82.87.100(2) - Taxes paid to another jurisdiction

**Additional
Information**

Additional Information	
Category:	Individuals
Year Enacted:	2021
Primary Beneficiaries:	Individuals with capital gains taxes paid to another jurisdiction
Taxpayer Count:	40
Program Inconsistency:	None evident
JLARC Review:	No review completed