

108TH CONGRESS  
1ST SESSION

# S. 968

To amend the Internal Revenue Code of 1986 to provide capital gain treatment under section 631(b) of such Code for outright sales of timber by landowners.

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IN THE SENATE OF THE UNITED STATES

MAY 1, 2003

Mr. SESSIONS introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to provide capital gain treatment under section 631(b) of such Code for outright sales of timber by landowners.

1       *Be it enacted by the Senate and House of Representa-  
2       tives of the United States of America in Congress assembled,*

3       **SECTION 1. CAPITAL GAIN TREATMENT UNDER SECTION  
4                   631(b) TO APPLY TO OUTRIGHT SALES BY  
5                   LANDOWNERS.**

6       (a) IN GENERAL.—The first sentence of section  
7       631(b) of the Internal Revenue Code of 1986 (relating to  
8       disposal of timber with a retained economic interest) is  
9       amended by striking “retains an economic interest in such

1 timber” and inserting “either retains an economic interest  
2 in such timber or makes an outright sale of such timber”.

3 (b) CONFORMING AMENDMENT.—The third sentence  
4 of section 631(b) of such Code is amended by striking  
5 “The date of disposal” and inserting “In the case of dis-  
6 posal of timber with a retained economic interest, the date  
7 of disposal”.

8 (c) EFFECTIVE DATE.—The amendments made by  
9 this section shall apply to sales after the date of the enact-  
10 ment of this Act.

