

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.

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

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.

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