

Amendments to Senate Bill No. 411
3rd Reading Copy

For the House Taxation Committee

Prepared by Jeff Martin
April 8, 2011 (7:47am)

1. Page 1, line 27.

Following: "(1)"

Strike: "A"

Insert: "(a) Subject to subsection (1)(b), a"

2. Page 2, line 1.

Strike: "but not less than \$50"

3. Page 2.

Following: line 4

Insert: "(b) A penalty imposed under subsection (1)(a) must be reduced by the amount of the penalty imposed under subsection (2)(a) or (2)(b)."

4. Page 2, line 5.

Strike: "subsection"

Insert: "subsections"

Following: "(2)(b)"

Insert: "and (2)(d)"

5. Page 2, line 8.

Strike: "A"

Insert: "Except as provided in subsection (2)(d), a"

6. Page 2.

Following: line 12

Insert: "(d) A penalty may not be imposed under subsection (2)(a) or (2)(b) on the amount of unpaid tax if the taxpayer demonstrates there is reasonable cause for the unpaid amount and the taxpayer acted in good faith with respect to the unpaid amount."

7. Page 2, line 13.

Strike: "(d) A"

Insert: "(3)(a) Subject to subsection (3)(b), a"

8. Page 2, line 15.

Strike: "(2)(d)"

Insert: "(3)"

9. Page 2, line 16.

Strike: "(2)(d)"

Insert: "(3)"

10. Page 2.

Following: line 23

Insert: "(b) The amount of substantial understatement must be reduced by the amount of the understatement that is attributable to:

(i) the tax treatment of any item by the taxpayer if there is or was substantial authority for the treatment; or

(ii) any item if the relevant facts affecting the tax treatment of the item are adequately disclosed in the return or in a statement attached to the return and there is a reasonable basis for the tax treatment of the item by the taxpayer."

11. Page 2, line 24.

Strike: "(3)"

Insert: "(4)"

Renumber: subsequent subsections

12. Page 3, line 9.

Strike: "(6) (A) (I)"

Insert: "(7) (a) (i)"

13. Page 3, line 10.

Strike: "(6) (A)"

Insert: "(7) (a)"

14. Page 3, line 21.

Strike: "(7) (B)"

Insert: "(8) (b)"

15. Page 4, line 3.

Strike: "(6) (A) (I)"

Insert: "(7) (a) (i)"

Strike: "(7) (A)"

Insert: "(8) (a)"

- END -