

DONALD T. BOLLINGER

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LA House of Representatives, Ways and Means Committee:

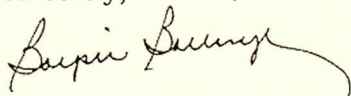
This letter is to support the Net Capital Gain Exclusion on sales of business organizations commercially domiciled in the state. This law had major impact, on my operation, Bollinger Shipyards, Inc., which employed thousands of Louisiana citizens, as well as my desire to remain a Louisiana citizen. The law has helped me and others feel comfortable growing our businesses here which enabled us to employ thousands of workers. This law provides a scalable benefit for both large and small entrepreneurs which eventually reach a transition point in their lives as I have experienced recently. This law helps all Louisiana business owners whether they sell widgets or build ships. It fosters entrepreneurship and the growth of small businesses and helps to lower the playing field with our neighbors in Texas and those in other lower tax jurisdictions.

I chose to remain in Louisiana to continue my philanthropic endeavors after selling my business. I personally have given back to Louisiana charities many times the benefit derived from this Net Capital Gain Exclusion. I hope to continue to help Louisiana but Louisiana must help itself by making the state attractive to entrepreneurs and business owners, through competitive tax policy. This Net Capital Gain Exclusion represented only a fraction of the income tax paid on the sale of my business.

I seriously considered moving to a neighboring state with no personal income tax which would have saved me millions of dollars. Louisiana would have lost taxation of my operations, employees, taxation on future earnings, my current and future philanthropy of time and talent. Once moved to another state, I may have never returned and another state would have reaped the benefit of my future gifting. All business owners exiting their businesses go through the decision whether a change of domicile is also beneficial. Please retain this benefit to entice these business leaders to remain in our communities, when they are ready to sell their business or "cash out" for retirement.

Unfortunately, some of my colleagues have chosen to leave the state, prior to the enactment of this capital gains law, to avoid Louisiana income tax laws in favor of neighboring states. If repealed, Louisiana will once again lose business owners who employ many citizens, and reinvest in their communities. We must support our Louisiana based business leaders/owners by supporting Act 457 of the 2009 Regular session, the Net Capital Gain exclusion available for all private entities domiciled in our state.

Sincerely,



Donald T. "Boysie" Bollinger