

LCB File No. R152-03

**PROPOSED REGULATION OF THE
DEPARTMENT OF TAXATION**

Bank Excise Tax

Sec. X. *Excise Tax on Branch Offices of Banks*

1. Except as otherwise provided in section 10.5 of Senate Bill No. 8 of the 20th Special Session, if a bank maintains/operates a branch office in this state on the first day of a calendar quarter, the entire excise tax shall be due for the branch office, even if the bank ceases to maintain/operate the branch office prior to the last day of the calendar quarter. No excise tax shall be due, with respect to any calendar quarter, if the bank commences its maintenance/operation of the branch office after the first day of the calendar quarter.

2. For purposes of this section, a bank will be deemed to have commenced the maintenance/operation of a branch office as of the date that branch office first opens for business to the public.

3. For purposes of this section, if the first day of a calendar quarter falls on a non-business day, a bank will be deemed to have maintained/operated a branch office on that day if the branch office was open for business to the public during the preceding calendar quarter and will continue to conduct business with the public during the current calendar quarter.