

## RÉSUMÉ DIGEST

**ACT 103 (HB 218)**

**2015 Regular Session**

**Broadwater**

Existing law provides for imposition, computation, and payment of income tax for estates and property held in trust. Prior law authorized the net operating loss to be deducted from net income in any of the 15 years immediately following the year in which the loss occurred.

New law changes the time allowed for carryover of the net operating loss from 15 years to 20 years.

Prior law provided a deduction from Louisiana net income for a net operating loss to be carried back three taxable years preceding the taxable year of such loss or carried over to each of the 15 taxable years following the taxable year of such loss.

New law repeals the three year carryback provisions of prior law and increases the carry over period from 15 years to 20 years beginning with any claim filed on or after July 1, 2015, regardless of the taxable year to which the return relates.

Existing law provides for refunds of overpayment of taxes, penalties, and interest. Prior law authorized a refund when La. tax overpayment results from application of a net operating loss carry back.

New law repeals provisions of prior law relative to net operating loss carry back for any claim filed on or after July 1, 2015, regardless of the taxable year to which the return relates.

Existing law provides a three year prescriptive period within which a refund or credit shall be paid and provides for suspension of the prescriptive period. Prior law provided a time table for prescription when a refund or credit is attributable to a net operating loss deduction carryback election.

New law repeals provisions of prior law relative to the net operating loss deduction carryback election for any claim filed on or after July 1, 2015, regardless of the taxable year to which the return relates.

New law applies to all claims for the net operating loss deduction on any return filed on or after July 1, 2015, regardless of the taxable year to which the return relates. Prohibits application of new law to an amended return filed on or after July 1, 2015, relating to a net operating loss deduction properly claimed on an original return filed prior to July 1, 2015.

Effective July 1, 2015.

(Amends R.S. 47:246(E) and (G), 287.86, 1621(B)(7), and 1623(C); Adds R.S. 47:181(B)(3))