
DIGEST

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HB 25 Original

2016 First Extraordinary Session

Jackson

Abstract: Limits the amount of the net operating loss (NOL) deduction to 50% of available NOL, prohibits the amount of the deduction from exceeding 72% of La. net income, and suspends the NOL deduction for all returns filed on or after January 1, 2016, through Dec. 31, 2016.

Present law provides for a deduction from corporate income tax for 72% of the amount of NOL incurred in La.

Proposed law retains present law for all returns filed on or after July 1, 2015, and relating to any taxable year beginning before Jan. 1, 2016.

Proposed law reduces the amount of the deduction from 72% of the NOL incurred to 50% of the available NOL for taxable years beginning on or after Jan. 1, 2016.

Proposed law prohibits the amount of the deduction from exceeding 72% of the value of La. net income.

Proposed law suspends the provisions of proposed law for all returns filed on or after Jan. 1, 2015, through Dec. 31, 2016, regardless of the taxable year to which the return relates.

Effective Jan. 1, 2016.

(Amends R.S. 47:287.86(A), (B), (C)(intro. para.), and (E); Adds R.S. 47:287.86(F); Repeals §3 of Act No. 123 of the 2015 R.S.)