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## DIGEST

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HB 383 Engrossed

2015 Regular Session

Jackson

**Abstract:** For any claim filed on or after July 1, 2015, regardless of the taxable year to which the return relates, eliminates the three year carryback of the net operating loss deduction for purposes of calculating corporate income tax liability.

Present law provides for imposition, computation, and payment of income tax for estates and property held in trust. Present law further authorizes 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.

Present law provides 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.

Proposed law repeals the three year carryback provisions of present law beginning with any claim filed on or after July 1, 2015, regardless of the taxable year to which the return relates.

Present law provides for refunds of overpayment of taxes, penalties, and interest. Further authorizes a refund when La. tax overpayment results from application of a net operating loss carryback.

Proposed law retains present law but repeals provisions 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.

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

Proposed law retains present law but repeals provisions 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.

Proposed 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.

(Amends R.S. 47:246(E) and (G), 287.86(A), (B), (C), (D), and (E), 1621(B)(7), and 1623(C); Repeals R.S. 47:287.86(F), (G), (H), and (I))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Delete application of proposed law to tax years beginning on or after Jan. 1, 2015.
2. Add applicability of proposed law to all returns filed on or after July 1, 2015, regardless of the taxable year to which the return relates.