

CONFERENCE COMMITTEE REPORT

HB 218

2015 Regular Session

Broadwater

June 11, 2015

To the Honorable Speaker and Members of the House of Representatives and the Honorable President and Members of the Senate.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning House Bill No. 218 by Representative Broadwater, recommend the following concerning the Engrossed bill:

- 1. That Senate Floor Amendment No. 1 proposed by Senator Adley and adopted by the Senate on June 5, 2015, be rejected.
- 2. That the Engrossed bill be amended as follows:

AMENDMENT NO. 1

On page 6, delete lines 10 through 12 in their entirety and insert the following:

"Section 2.(A) Except as provided for in Subsection (B) of this Section, the provisions of Section 1 of this Act shall apply to a claim for a net operating loss deduction on a return filed on or after July 1, 2015, regardless of the taxable year to which the return relates.

(B) The provisions of Section 1 of this Act shall not apply 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.

Section 3. This Act shall become effective on July 1, 2015."

Respectfully submitted,

Representative Chris Broadwater

Senator Jack Donahue

Representative Joel C. Robideaux

Senator Robert Adley

Speaker Charles E. "Chuck" Kleckley

Senator Mack "Bodi" White

 DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

CONFERENCE COMMITTEE REPORT DIGEST
HB 218
2015 Regular Session
Broadwater
Keyword and oneliner of the instrument as it left the House

TAX/CORP INCOME: Provides with respect to the net operating loss deduction for purposes of the corporate income tax

Report rejects Senate amendments which would have:

1. Added applicability provision that prohibits application of proposed law to an amended return timely filed on or after July 1, 2015, relating to an original return that was filed on or prior to July 1, 2015, that properly claimed an exemption, credit, rebate, or deduction.

Report amends the bill to:

1. Add applicability provision that prohibits application of proposed law to an amended return timely 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.

Digest of the bill as proposed by the Conference Committee

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.

Proposed law retains present law but changes the time allowed for carryover of the net operating loss from 15 years to 20 years.

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 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.

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 carry back.

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. Prohibits application of proposed 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))