

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 47** HLS 162ES 62

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 8, 2016	8:57 AM	Author: BROADWATER
Dept./Agy.: Revenue		Analyst: Greg Albrecht
Subject: Net Operating Loss Deduction		

TAX/CORP INCOME

OR NO IMPACT GF RV See Note

Page 1 of 1

Provides with respect to the net operating loss deduction for corporate income tax (Item #37)

Clarifies that the corrective language of Act 6 of 2016 ES1, which insured the 28% deduction cut to net operating loss deductions (NOLs) imposed by Act 123 of 2015 was implemented in the manner consistent with fiscal anticipation of Act 123, did not impose the 28% reduction to amended returns filed on/after July 1, 2015 in which a NOL had been properly claimed on the original return filed before July 1, 2015.

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

The deductions cut by 28% by Act 123 of 2015 were not intended to apply to amended returns filed after July 1, 2015 when the original return filed prior to July 1, 2015 properly claimed a deduction, and no revenue gain was anticipated from such amended returns. Clarifying this original intention after the corrections of Act 6 of 2016 ES1 has no fiscal effect.

Senate Dual Referral Rules House

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

John D. Carpenter
Legislative Fiscal Officer