

2020 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 76

BY REPRESENTATIVE WRIGHT

A CONCURRENT RESOLUTION

To urge and request that changes to the carryback provisions of the corporate income tax deduction for net operating losses to mirror the carryback provisions of the net operating loss deduction adopted in the federal CARES Act be included in any proclamation convening an extraordinary session of the legislature in 2020.

WHEREAS, on March 11, 2020, Governor John Bel Edwards invoked his authority under the Louisiana Health Emergency Powers Act, La. R.S. 29:760 et seq., to issue Emergency Proclamation Number 25 JBE 2020, which declared a statewide public health emergency as a result of the imminent threat posed to Louisiana citizens by the outbreak of a respiratory disease caused by the novel coronavirus known as COVID-19; and

WHEREAS, on March 13, 2020, the governor issued Emergency Proclamation Number 27 JBE 2020, which supplemented the measures taken in Emergency Proclamation Number 25 JBE 2020 with additional restrictions to further protect the health and safety of the public and expressly provided for "'emergency-related claims'. . . for unemployment compensation filed by persons whose unemployment is directly due to the impact of COVID-19 or due to their inability to get their job or worksite because they are sick, isolated or quarantined, caring for a sick family member, or when an employee's child's school is closed as determined by the administrator of the state's unemployment compensation program"; and

WHEREAS, on March 22, 2020, the governor issued Emergency Proclamation Number 33 JBE 2020 which implemented a general stay-at-home order to the public and additional measures including the temporary closure of certain businesses, further limiting the operations of certain non-essential businesses to the public in an effort to mitigate the impact of COVID-19 and to disrupt the spread of the virus; and

WHEREAS, these businesses have experienced serious hardship and financial disruption due to COVID-19 impacts on their operations and workforces; and

WHEREAS, the financial impact of the unprecedented COVID-19 pandemic on these businesses has been severe and could subject them to economic losses; and

WHEREAS, the ability of these businesses to expeditiously return to their previous levels of operation is critical to Louisiana's economy, as well as preserving state and local government revenues; and

WHEREAS, the initial months of their operation will present cashflow challenges that may impair their reengagement in their commercial activity and, in some cases, even result in their failure to remain in business; and

WHEREAS, changes to the state net operating loss carryback provisions are necessary in order for the state deduction to mirror the net operating loss provisions included in the federal Coronavirus Aid, Relief, and Economic Security Act "CARES Act", P.L. 116-136, will assist businesses in overcoming the cashflow issues they will face.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby urge and request that changes to the carryback provisions of the corporate income tax deduction for net operating losses to mirror the carryback provisions of the net operating loss deduction adopted in the federal CARES Act be included in any proclamation convening an extraordinary session of the legislature in 2020.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the governor of the state of Louisiana, the speaker of the House of Representatives, and the president of the Senate.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE