
DIGEST

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HB 116 Original

2016 First Extraordinary Session

Ivey

Abstract: Provides for the order of loss years from which a net operating loss may be carried over in certain circumstances.

Present law provides for a deduction from corporate income tax for 72% of the amount of net operating loss incurred in La. and authorizes carryforward of excess net operating loss for a period of 20 years.

Present law requires net operating loss to be applied for purposes of reducing La. net income in order of the year of the loss, beginning with the earliest taxable year.

Proposed law changes present law by requiring net operating loss from the most recent taxable year to be applied first.

Effective Jan. 1, 2017.

(Amends R.S. 47:287.86(C)(2))