

2020 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 76

BY REPRESENTATIVE WRIGHT

TAX/CORP INCOME: Urges and requests that any proclamation convening an extraordinary session of the legislature in 2020 include changes to the carryback provisions of the corporate income tax deduction for net operating losses

1 A CONCURRENT RESOLUTION
 2 To urge and request that changes to the carryback provisions of the corporate income tax
 3 deduction for net operating losses to mirror the carryback provisions of the net
 4 operating loss deduction adopted in the federal CARES Act be included in any
 5 proclamation convening an extraordinary session of the legislature in 2020.
 6 WHEREAS, on March 11, 2020, Governor John Bel Edwards invoked his authority
 7 under the Louisiana Health Emergency Powers Act, La. R.S. 29:760, et seq., to issue
 8 Emergency Proclamation Number 25 JBE 2020, which declared a statewide public health
 9 emergency as a result of the imminent threat posed to Louisiana citizens by the outbreak of
 10 a respiratory disease caused by the novel coronavirus known as COVID-19; and
 11 WHEREAS, on March 13, 2020, the governor issued Emergency Proclamation
 12 Number 27 JBE 2020, which supplemented the measures taken in Emergency Proclamation
 13 Number 25 JBE 2020 with additional restrictions to further protect the health and safety of
 14 the public and expressly provided for "'emergency-related claims'. . . for unemployment
 15 compensation filed by persons whose unemployment is directly due to the impact of
 16 COVID-19 or due to their inability to get their job or worksite because they are sick, isolated
 17 or quarantined, caring for a sick family member, or when an employee's child's school is
 18 closed as determined by the administrator of the state's unemployment compensation
 19 program"; and

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

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

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

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

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

16 WHEREAS, changes to the state net operating loss carryback provisions are
17 necessary in order for the state deduction to mirror the net operating loss provisions included
18 in the federal Coronavirus Aid, Relief, and Economic Security Act "CARES Act", P.L. 116-
19 136, will assist businesses in overcoming the cashflow issues they will face.

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

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

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)]

HCR 76 Engrossed

2020 Regular Session

Wright

Urges and requests 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 E.S. of the legislature in 2020.