

ACT No. 24

2016 First Extraordinary Session

HOUSE BILL NO. 116

BY REPRESENTATIVE IVEY

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AN ACT

To amend and reenact R.S. 47:287.86(C)(2), relative to the net operating loss deduction; to provide for the order of loss years from which a net operating loss may be carried over; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:287.86(C)(2) is hereby amended and reenacted to read as follows:

§287.86. Net operating loss deduction

* * *

C. Manner and amount of carryovers. For all claims for this deduction on any return filed on or after July 1, 2015, regardless of the taxable year to which the return relates, the entire amount of Louisiana net loss for any taxable year, hereinafter the "loss year", shall be carried over to the earliest of the taxable years allowed. The portion of such loss which shall be carried to each of the other taxable years allowed by Subsection B shall be the excess, if any, of the amount of such loss over the aggregate of the Louisiana taxable income for each of the taxable years to which such loss may be carried. For the purposes of this Subsection:

* * *

(2) In calculating the aggregate Louisiana taxable incomes in cases where more than one loss year must be taken into account, the various net operating loss carryovers to such taxable year are considered to be applied in reduction of Louisiana net income in the order of the taxable years from which such losses are carried over, beginning with the loss for the ~~earliest~~ most recent taxable year.

* * *

1 Section 2. The provisions of this Act shall become effective on January 1, 2017.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____