Rep. Janigian, Rock. 25
September 18, 2023
2023-2272h
05/10

Amendment to HB 450-FN

Amend the bill by replacing all after the enacting clause with the following:

1 Taxation; Business Profits Tax; Additions and Deductions. Amend RSA 77-A:4, XIII to read as follows:

XIII. A deduction for the amount of the net operating loss carryover determined under section 172 of the United States Internal Revenue Code apportioned in the year incurred according to RSA 77-A:3***, except in determining the amount of the net operating loss deduction, a business organization shall not be subject to any taxable income limitation under section 172 of the United States Internal Revenue Code as provided in RSA 77-A:1, XX***. A net operating loss shall only be apportioned in the year incurred and not in the subsequent years it adjusts gross business profits. Net operating losses may only be carried forward for the 10 years following the loss year. For taxable periods ending:

(a) On or before June 30, 2003, the amount of net operating loss generated in a tax year that may be carried forward may not exceed $250,000.

(b) On or after July 1, 2003 and on or before June 30, 2004, the amount of net operating loss generated in a tax year that may be carried forward may not exceed $500,000.

(c) On or after July 1, 2004 and on or before June 30, 2005, the amount of net operating loss generated in a tax year that may be carried forward may not exceed $750,000.

(d) On or after July 1, 2005, the amount of net operating loss generated in a tax year that may be carried forward may not exceed $1,000,000.

(e) On or after January 1, 2013, the amount of net operating loss generated in a tax year that may be carried forward may not exceed $10,000,000. In the case of a business organization not qualifying for treatment as a subchapter C corporation under the United States Internal Revenue Code, such deduction shall be the amount that would be determined under section 172 of the United States Internal Revenue Code if the business organization were a subchapter C corporation and as limited ***and adjusted*** by this section. A deduction for the amount of the net operating loss carryover shall be limited to losses incurred on or after July 1, 1997.

2 Applicability. RSA 77-A:4, XIII as amended by section 1 of this act shall apply to all taxable periods ending on or after December 31, 2024.

3 Effective Date. This act shall take effect July 1, 2024.