

One Hundred Second Legislature - First Session - 2011

Introducer's Statement of Intent

LB483

Chairperson: Senator Abbie Cornett

Committee: Revenue

Date of Hearing: February 11, 2011

The following constitute the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB483, if adopted, would change the statutory provisions that govern the deductions of net operating losses for Nebraska income tax purposes.

This bill extends the length of time a corporation would be allowed to carry forward net operating losses from five years to ten years, beginning with tax year 2010. All but seven states have a net operating loss carry forward timeframe of ten or more years. With the adoption of this law change, Nebraska's carry forward time limitation would still be half the carry forward time allowed by the federal government and the majority of states which currently allow 20 years of net operating loss carry forward.

Principal Introducer: _____

Senator Galen Hadley