

RULE

Department of Revenue Policy Services Division

Net Operating Loss Deduction (LAC 61:I.1124)

Under the authority of R.S. 47:287.86, R.S. 47:287.785, and R.S. 47:1511, and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Policy Services Division, has adopted LAC 61:I.1124 to allow the election to relinquish carryback provided in R.S. 47:287.86(D) to be revocable.

R.S. 47:287.86(D) provides that the election to relinquish the carryback shall be made as prescribed by the secretary. It has been the department's longstanding practice to allow the taxpayer to change its election to relinquish carryback. This regulation will clarify that the election may be changed and inform taxpayers of the necessary procedures.

Title 61

REVENUE AND TAXATION

Part I. Taxes Collected and Administered by the Secretary of Revenue

Chapter 11. Corporation Income Tax

§1124. Net Operating Loss Deduction

A. Election to relinquish carryback of a net operating loss. The election to relinquish carryback is made by filing a return carrying the net operating loss to the earliest of the taxable years allowed for carryovers.

B. Changes to Election

1. Except as otherwise provided herein, a taxpayer may change the election to relinquish carryback of a net operating loss or the decision to carryback a net operating loss provided any additional tax and interest due as a result of the change is paid and any refund due as a result of the change has not prescribed.

2. The change in the election is made by filing an amended return for each tax year affected, paying any tax and interest due and showing any refunds due.

C. When a change in election is made during an audit or examination, the taxpayer shall submit to the auditor a written notification of the change in election and provide any additional information the auditor may require.

AUTHORITY NOTE: Adopted in accordance with R.S. 47:287.86, R. S. 47:287.785 and R.S. 47:1511.

HISTORICAL NOTE: Adopted by the Department of Revenue, Policy Services Division, LR 30:0000 (November 2004).

Cynthia Bridges
Secretary