

[Similar Matter Filed During Past Session —
See Senate No. 1571 of 1983]

SENATE No. 1796

By Mr. Shea, a petition (accompanied by bill, Senate, No. 1796) of Philip L. Shea for legislation to allow net operating losses of a corporation to be carryover losses. Taxation.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-four.

AN ACT ALLOWING NET OPERATING LOSSES OF A CORPORATION TO BE
CARRYOVER LOSSES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 Section 30, Paragraph 5, Clause B is being amended by
- 2 striking out subdivision (11) and inserting in place thereof
- 3 the following subdivision: —
- 4 Net operating losses, so much of the loss as determined
- 5 under section one hundred and seventy-two of the Federal
- 6 Internal Revenue Code, as amended, for any taxable year after
- 7 December 1981 shall be a net operating loss carryover for each
- 8 of the 5 years following the taxable year of such loss, and
- 9 shall be deducted; provided, however, that such carryover
- 10 losses shall not be allowed to any corporation fifty percent or
- 11 more of whose voting stock is owned by another corporation
- 12 whether or not such owning corporation is taxable in this
- 13 commonwealth and provided, further, that in the case of a
- 14 foreign corporation losses incurred before such corporation
- 15 becomes subject to tax liability in this commonwealth shall
- 16 not be allowed, and,

