

SESSION OF 2019

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2388

As Amended by House Committee on Taxation

Brief*

HB 2388, as amended, would allow Kansas income taxpayers to carry forward net operating losses for 20 years, beginning with such losses incurred in tax year 2018. Current law provides for net operating losses to be carried forward for 10 years.

Background

The bill was introduced by the House Committee on Taxation at the request of Sprint. During the public hearing in the House Committee on March 18, representatives of Sprint and the Kansas Chamber appeared as proponents. Written-only proponent testimony was provided by a representative of CenturyLink. No other conferees appeared or submitted testimony.

The original bill also contained provisions that would have allowed taxpayers to make elections to add certain bonus depreciation amounts to income, and to allow loss carryovers from prior years to offset up to 100 percent of taxable income (as opposed to 80 percent under current law). The House Committee on Taxation amended the bill on March 21 to remove these provisions.

Although a fiscal note on the amended version of the bill was not immediately available, a representative of the Department of Revenue stated before the House Committee that extension for new loss carry-forwards to up to 20 years

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

would not be expected to impact State General Fund receipts until FY 2029.