

HOUSE No. 2843

By Mr. Binienda of Worcester, petition of John J. Binienda and Daniel E. Bosley for legislation to extend the net operating loss provisions of the tax laws currently available to business corporations to utility corporations. Revenue.

The Commonwealth of Massachusetts

In the Year Two Thousand and Seven.

AN ACT TO EXTEND THE NET OPERATING LOSS PROVISIONS CURRENTLY AVAILABLE TO BUSINESS CORPORATIONS TO UTILITY CORPORATIONS.

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 1. Chapter 63, section 52A, subsection(1)(b)(ii) of the
2 General Laws, as appearing in the 2004 Official Edition, is
3 amended by inserting after the word “years” the following:
4 “except for net operating losses as provided in subparagraph
5 (b½) of this section.”

1 SECTION 2. Said Chapter 63, is further amended by inserting
2 after said section 52A, subsection (1), subparagraph (b), the
3 following new subparagraph:—

4 Chapter 63, section 52A, Subsection (1), (b½)
5 “(i) For purposes of this chapter, the Massachusetts net operating
6 loss of a utility corporation incurred in a taxable year shall mean the
7 amount by which the deductions allowed under subparagraph (b),
8 not including the deductions for net operating losses under this sub-
9 paragraph, exceed gross income for the taxable year as defined in
10 subparagraph (b) of this section.

11 (ii) Massachusetts utility corporation net operating losses which
12 are sustained in taxable years ending on or after December 31, 2004,
13 shall be allowed as a deduction in determining net income. Losses
14 sustained in any taxable year may be carried forward for not more
15 than five years and may not be carried back.”