

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
FIRST SESSION  
**LEGISLATIVE BILL 457**

Introduced by Krist, 10.

Read first time January 22, 2013

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section  
2 77-2734.07, Reissue Revised Statutes of Nebraska; to  
3 change provisions relating to deductions for net  
4 operating losses and capital losses; and to repeal the  
5 original section.  
6 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 77-2734.07, Reissue Revised Statutes  
2 of Nebraska, is amended to read:

3           77-2734.07 (1) There shall be added to federal taxable  
4 income the amount of any federal deduction because of a carryforward  
5 of a net operating loss or any capital loss.

6           (2) There shall be allowed a deduction for a carryforward  
7 of a net operating loss or capital loss that is connected with  
8 operations in Nebraska. For a net operating loss or capital loss  
9 incurred in taxable years beginning or deemed to begin on or after  
10 January 1, 1987, and before January 1, 2014, the deduction shall be  
11 allowed only for each of the five taxable years succeeding the year  
12 of the loss. For a net operating loss incurred in taxable years  
13 beginning or deemed to begin on or after January 1, 2014, the  
14 deduction shall be allowed only for each of the twenty taxable years  
15 succeeding the year of the loss. For a capital loss incurred in  
16 taxable years beginning or deemed to begin on or after January 1,  
17 2014, the deduction shall be allowed only for each of the five  
18 taxable years succeeding the year of the loss.

19           (3) Except as otherwise provided in this section, there  
20 shall be allowed a carryback of a net operating loss or a capital  
21 loss that is connected with operations in Nebraska. For a net  
22 operating loss or capital loss incurred in taxable years beginning or  
23 deemed to begin on or after January 1, 1987, no such carryback shall  
24 be allowed.

25           (4) The amounts in subsections (2) and (3) of this

1 section shall be computed pursuant to rules and regulations adopted  
2 and promulgated by the Tax Commissioner. Such regulations shall be in  
3 accord with the laws of the United States regarding carryforwards and  
4 carrybacks.

5                   Sec. 2. Original section 77-2734.07, Reissue Revised  
6 Statutes of Nebraska, is repealed.