

STATE OF NEW YORK

7877--A

2025-2026 Regular Sessions

IN SENATE

May 13, 2025

Introduced by Sen. GOUNARDES -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue -- recommitted to the Committee on Budget and Revenue in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to the application of net operating losses in the calculation of corporate franchise taxes

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Clause 4 of subparagraph (ix) of paragraph (a) of subdivi-
2 sion 1 of section 210 of the tax law, as amended by section 16 of part T
3 of chapter 59 of the laws of 2015, is amended to read as follows:

4 (4) A net operating loss [~~may be carried back three taxable years~~
5 ~~preceding the taxable year of the loss ("the loss year"). However no~~
6 ~~loss can be carried back to a taxable year beginning before January~~
7 ~~first, two thousand fifteen. The loss is first carried to the earliest~~
8 ~~of the three taxable years. If it is not entirely used in that year, it~~
9 ~~is carried to the second taxable year preceding the loss year, and any~~
10 ~~remaining amount is carried to the taxable year immediately preceding~~
11 ~~the loss year. Any unused amount of loss then remaining]~~ may be carried
12 forward for as many as [~~twenty~~ five] taxable years following the loss
13 year. Losses carried forward are carried forward first to the taxable
14 year immediately following the loss year, then to the second taxable
15 year following the loss year, and then to the next immediately subse-
16 quent taxable year or years until the loss is used up or the [~~twentieth~~
17 fifth] taxable year following the loss year, whichever comes first.

18 § 2. This act shall take effect immediately and shall apply to taxable
19 years beginning on and after the first of January next succeeding the
20 date on which it shall have become a law.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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