

Income/Franchise:

Idaho: New Law Addresses “CARES” Act Excess Loss Limitations for Noncorporate Taxpayers

H.B. 170, signed by gov. 3/17/21. Responding to recently enacted state legislation providing that Idaho will decouple from the current version of Internal Revenue Code (IRC) section 461(l) involving excess loss limitations for taxpayers other than corporations pursuant to the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act (*i.e.*, P.L. 116-136) and will, instead, conform to IRC section 461(l) as in effect on January 1, 2020 [see *H.B. 58* (2021), and *State Tax Matters*, Issue 2021-8, for more details on this earlier legislation], new law seeks to “protect” Idaho taxpayers from losing excess losses subject to the limitation by allowing them to carry those excess losses forward as a net operating loss for up to 20 years. Please contact us with any questions.

URL: <https://legislature.idaho.gov/sessioninfo/2021/legislation/H0170/>

URL: <https://legislature.idaho.gov/sessioninfo/2021/legislation/H0058/>

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/STM/210226_2.html

— Scott Schiefelbein (Portland)
Managing Director
Deloitte Tax LLP
sschiefelbein@deloitte.com

Andrea Vogt (Boise)
Senior Manager
Deloitte Tax LLP
andreavogt@deloitte.com

Olivia Schulte (Washington, DC)
Manager
Deloitte Tax LLP
oschulte@deloitte.com

This document contains general information only and Deloitte is not, by means of this document, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This document is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this document.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the “Deloitte” name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see www.deloitte.com/about to learn more about our global network of member firms.