

117TH CONGRESS
1ST SESSION

H. R. 2450

To amend the Internal Revenue Code of 1986 to except certain individuals from the 80 percent taxable income limitation on net operating loss carryovers.

IN THE HOUSE OF REPRESENTATIVES

APRIL 12, 2021

Ms. NEWMAN introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to except certain individuals from the 80 percent taxable income limitation on net operating loss carryovers.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CERTAIN INDIVIDUALS NOT SUBJECT TO 80-**
4 **PERCENT TAXABLE INCOME LIMIT ON NET**
5 **OPERATING LOSS CARRYOVERS.**

6 (a) IN GENERAL.—Section 172(a) of the Internal
7 Revenue Code of 1986 is amended by adding at the end
8 the following:

1 “In the case of an individual (other than a trust or estate)
2 whose modified adjusted gross income for the taxable year
3 does not exceed \$400,000, paragraph (2)(B)(ii) shall not
4 apply. For purposes of the preceding sentence, the term
5 ‘modified adjusted gross income’ means adjusted gross in-
6 come increased by any amount excluded from gross income
7 under section 911, 931, or 933.”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 this section shall apply to taxable years beginning after
10 December 31, 2020.

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