

64:26:03:12. Net operating loss carryover. Net operating losses carried forward from another year on a taxpayer's federal tax return may not reduce net income for South Dakota franchise tax purposes. Net income may not be less than zero prior to making the adjustments provided for in SDCL 10-43-10.2 or 10-43-10.3 because of a deduction taken for losses not incurred during the tax year for which the return is being filed.

Source: 16 SDR 76, effective November 1, 1989.

General Authority: SDCL 10-43-42.1.

Law Implemented: SDCL 10-43-10.1, 10-43-10.4.

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