

## {TAX ADVISORY}

### **IRS Issues Guidance on Newly Expanded 'Net Operating Loss' Break**

The IRS today issued guidance explaining how a newly expanded “net operating loss” break for businesses will work.

[The guidance details things](#) like how the provisions, included in the recent coronavirus stimulus package, interact with foreign income that’s been subject to the one-time “repatriation” tax imposed as part of the 2017 tax overhaul.

The agency is also giving companies an extra six months to file needed “NOL” forms.

Lawmakers expanded the break, which had been rolled back as part of the Tax Cuts and Jobs Act, because it’s a way to get money to cash-strapped businesses. The provisions allow companies to qualify for tax refunds by redoing their previous years’ taxes to take into account their current losses.

It’s supposed to be a way to get money quickly to struggling businesses, though a top IRS official said last week the agency is having trouble processing the requests because of the virus outbreak.

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