

Income Tax - Net Operating Loss

Can a corporation carry a Colorado net operating loss from one year to another if different apportionment methods are used?

A net operating loss may not be carried from a year in which income is apportioned under the Colorado Income Tax Act (two factor formula) to a year in which income was apportioned under the provisions of the Multi-state Tax Compact (three factor formula), or vice versa, without written permission from the executive director of the Colorado Department of Revenue.