



This Week in State Tax (TWIST)

August 7, 2023



To listen to the podcast please [click here](#).

New Hampshire: Legislation Decouples from Federal Interest Expense Limitations

On July 28, 2023, Senate Bill 189, which decouples from the business interest expense limitation under IRC section 163(j), was signed into law. Specifically, effective for tax years beginning on or after January 1, 2024, a deduction will be allowed for any interest expense disallowed under IRC section 163(j). Conversely, an addition will be required for an IRC section 163(j) carryforward generated in tax years commencing after January 1, 2024. Any carryforward of disallowed business interest under IRC section 163(j) as of the tax year ending before January 1, 2024 can be deducted in three equal parts over three consecutive years, beginning with the first tax year commencing on or after January 1, 2024. Please contact [Jennifer Bates](#) with questions on New Hampshire Senate Bill 189.

kpmg.com/socialmedia



© 2023 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. USCS000670-1G

The following information is not intended to be "written advice concerning one or more federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230.

The information contained herein is of a general nature and based on authorities that are subject to change. Applicability of the information to specific situations should be determined through consultation with your tax adviser.