



This Week in State Tax (TWIST)

May 11, 2026



Multistate: Additional measures on conformity to OB3 enacted as legislatures push toward *sine die*

As most state legislatures continue the march toward concluding their 2026 sessions, three more states have passed bills addressing state conformity to the One Big Beautiful Bill Act (P.L. 119-21) (OB3).

Connecticut: The Connecticut legislature passed a supplemental budget bill that would decouple from the federal special depreciation provisions for qualified production property under IRC section 168(n) for income years beginning on or after January 1, 2026; the supplemental also decouples from the federal changes to treatment of research and experimental expenses under IRC section 174A for years before January 1, 2026. The bill would also decouple from the transitional rules under IRC section 174A. Instead, a taxpayer must capitalize and amortize under IRC section 174 prior to OB3. The bill is awaiting Governor Lamont's signature. Contact [Michael Rylant](#) with questions about [S.B. 1](#).

Iowa: A bill passed by the Iowa legislature would remove a specific reference to "global intangible low-taxed income" (GILTI) from its tax code, ensuring that the subtraction modification from federal income would apply to IRC 951A under OB3. The bill is awaiting Governor Reynolds's signature. Contact [Dale Busacker](#) with questions about [S.F. 2492](#).

Kansas: Similarly, Kansas enacted legislation that removes the specific reference to "global intangible low-taxed income" (GILTI) from its tax code, ensuring that the subtraction modification from federal income will apply to IRC 951A under OB3. The bill has been presented to Governor Kelly for signature. Contact [Alexander Karscig](#) with questions about [S.B. 300](#).

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