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KPMG reports: Connecticut (unclaimed loss carryforward period, unclaimed property modifications); Florida (unclaimed property law changes); South Carolina (income producing activities)

KPMG This Week in State Tax—produced weekly by the KPMG State and Local Tax practice—focuses on recent state and local tax developments.

- **Connecticut**: Under recently enacted House Bill 5524, operating losses incurred in income years commencing on or after January 1, 2025, can be carried forward for 30 income years (currently, the carryforward period is 20 years). Further, a new deduction is allowed for certain combined groups that did not include the impact of any valuation allowance arising from the move to combined reporting when they initially calculated the FAS 109 deduction.

- **Connecticut**: Modifications to the unclaimed property law include new owner notification requirements and specific provisions for the treatment of unclaimed virtual currency.

- **Florida**: House Bill 989 accelerates the dormancy periods for all types of unclaimed property in the event the owner is deceased. The bill also enhances the state's due diligence requirements and incorporates virtual currency into the definition of intangible property subject to escheatment.

- **South Carolina**: Under recently enacted House Bill 5524, operating losses incurred in income years commencing on or after January 1, 2025, can be carried forward for 30 income years (currently, the carryforward period is 20 years). Further, a new deduction is allowed for certain combined groups that did not include the impact of any valuation allowance arising from the move to combined reporting when they initially calculated the FAS 109 deduction.

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