

June 26, 2026

The Honorable Jason Smith  
Chairman  
House Committee on Ways and Means  
Washington, D.C. 20515

The Honorable Richard Neal  
Ranking Member  
House Committee on Ways and Means  
Washington, D.C. 20515

Dear Chairman Smith and Ranking Member Neal:

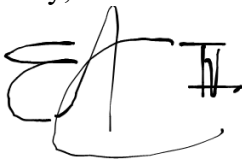
The American Bankers Association (ABA)<sup>1</sup> strongly supports the Small Business and Consumer Credit Act (H.R. 9383), which would reinstate the Net Operating Loss (NOL) carryback option for certain eligible financial institutions.

The general prohibition on NOL carrybacks has unintended consequences that adversely affect certain financial institutions, particularly those engaged predominantly in consumer lending, by inflating required capital levels and thereby constraining their ability to lend. H.R. 9383 addresses this problem by allowing certain financial institutions to elect to carryback a NOL for two taxable years with an 80% limitation, starting in 2027, and limiting the carryover period to 20 years.

This technical correction does not result in *any* reduction in federal income tax, and it would unlock billions of dollars of lending capacity and credit availability for millions of individuals and small businesses across America—stimulating economic growth and generating prosperity throughout the country.

We strongly support H.R. 9383 and respectfully urge you and members of the House Committee on Ways and Means to report this bill favorably as soon as possible.

Sincerely,



Joey Connor  
Senior Vice President, Fiscal Policy  
American Bankers Association

Cc: Representative Mike Carey, Representative Gwen Moore, Representative Claudia Tenney, Representative Max Miller, Representative Rudy Yakym, Representative Nathaniel Moran, Representative Terri Sewell, Representative Suzan DelBene, Representative Don Beyer, Representative Steven Horsford

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<sup>1</sup> The American Bankers Association is the voice of the nation's \$26.1 trillion banking industry, which is composed of small, regional and large banks that together employ over 2 million people, safeguard \$20.5 trillion in deposits and extend \$13.7 trillion in loans.