

Supplement to Form 511NR
OKLAHOMA NET OPERATING LOSS(ES)
NONRESIDENT/PART-YEAR RESIDENTS ONLY

NOL INSTRUCTIONS...

The loss year return must be filed to establish the Oklahoma Net Operating Loss. If the loss is from a pass-through entity, the pass-through entity must also file a tax return.

An Oklahoma net operating loss (NOL) shall be separately determined by reference to Section 172 of the Internal Revenue Code as modified by the Oklahoma Income Tax Act and shall be allowed without regard to the existence of a Federal NOL. For additional information, use the instructions for Federal Form 1045 "Application for Tentative Refund" or Federal Publication 536 "Net Operating Losses (NOLs) for Individuals, Estates, and Trusts".

Oklahoma computes the base tax "as if" all the income were earned in Oklahoma. Therefore, an Oklahoma NOL is computed based on the figures from the "Federal Amount Column." This is the "Oklahoma NOL from all sources" and is deducted in the "Federal Amount Column."

The true Oklahoma NOL is computed using the figures from the "Oklahoma Amount Column." This is the "Oklahoma NOL from Oklahoma sources" and is deducted in the "Oklahoma Amount Column." Note: If the taxpayer becomes a full-year resident, this is the loss which would be carried to Form 511.

Each Oklahoma NOL is separately determined and allowed without regard to the existence of the other.

- ✓ * For 1996 through 2000 Oklahoma NOLs, no loss carryback shall be allowed.
- ✓ For 1996 through 2000 Oklahoma NOLs, the NOL carryforward shall not exceed 15 years.
- ✓ * For 2001 through 2007 and for 2009 and subsequent Oklahoma NOLs, the loss carryback period shall be determined solely by reference to Section 172 of the Internal Revenue Code. An election may be made to forego the NOL carryback period. A written statement of the election must be part of the timely filed Oklahoma loss year return or to an amended return for the NOL year filed within six months of the due date of your original return (excluding extensions).
- ✓ * For a 2008 Oklahoma NOL, the loss carryback shall be limited to a period of two years. An election may be made to forego the NOL carryback period. A written statement of the election must be part of the timely filed Oklahoma loss year return or to an amended return for the NOL year filed within six months of the due date of your original return (excluding extensions).
- ✓ For 2001 and subsequent Oklahoma NOLs, the loss carryforward period shall be determined solely by reference to IRC Section 172.

* **Notes:**

For tax year 2000 and subsequent years, an NOL that is a result of a farming loss may be carried back in accordance with the provisions contained in the Internal Revenue Code. However, the amount of the NOL carryback shall not exceed the lesser of \$60,000 or the loss properly shown on the Federal Schedule F reduced by 1/2 of the net income from all other sources other than reflected on Schedule F.

You may choose to treat a farming loss as if it were not a farming loss. To make this choice, attach a statement to your loss year return stating that you are choosing to treat the farming loss as if it were not a farming loss under Section 172(i)(3) of the Internal Revenue Code.

SCHEDULE A OKLAHOMA AMOUNT COLUMN INSTRUCTIONS

Oklahoma NOL from Oklahoma Sources (Oklahoma Amount Column)

The "Oklahoma NOL from Oklahoma sources" is computed using 511NR-NOL Schedule A Oklahoma.

The Adjusted Gross Income - Oklahoma Sources (511NR) is to be reported on Schedule A, line 1. The following steps will be used to calculate the itemized deductions attributable to the Oklahoma NOL. If using Oklahoma standard deductions, the entire deduction is attributable to the Oklahoma NOL.

	Example A	Example B	Taxpayer's Use
1. All nonbusiness itemized deductions	10,000.00	5,000.00	
2. All nonbusiness income (including nonbusiness capital gains)	8,000.00	8,000.00	
3. Enter lesser of lines 1 and 2.	8,000.00	5,000.00	
4. Net out-of-state income.	3,000.00	3,000.00	
5. Subtract line 4 from line 3. (Do not enter an amount less than zero.)	5,000.00	2,000.00	
6. Business itemized deductions attributable to Oklahoma.	1,000.00	1,000.00	
7. Total itemized deductions attributable to Oklahoma. Add lines 5 and 6, enter here and on line 2a NOL Schedule A.	6,000.00	3,000.00	

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Nonresident/Part-Year Residents Only - Page 2



FORM 511NR-NOL
SCHEDULE A
FEDERAL
 Revised 2014

Taxpayer's first name and initial	Last name	Taxpayer Social Security Number
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TAX YEAR: _____	"Federal Amount Column" NOL
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	1. Adjusted gross income: All Sources from Form 511NR, line 7 (line 24 for 2012 and prior)	1	
DEDUCTIONS	2. a. Enter either Oklahoma Standard or Itemized Deductions.....	2a	
	b. Enter total Oklahoma Adjustments to Adjusted Gross Income from Schedule 511NR-C	2b	
	c. Add lines 2a and 2b	2c	()
3. Combine lines 1 and 2c. Enter the total here		3	

Note: If line 3 is zero or more, do not complete remainder of schedule. There is no net operating loss.

ADJUSTMENTS: Lines 4 - 25 are entered as positive numbers.

	4. Enter nonbusiness capital losses (before limitation). For 2005 and later years, also enter the nonbusiness Oklahoma Capital Gain Deduction from Schedule 511NR-B, Federal Amount Column	4	
	5. Enter nonbusiness capital gains (without regard to any IRC Section 1202 exclusion)	5	
	6. If line 4 is larger than line 5, enter difference; otherwise enter zero	6	
	7. If line 5 is larger than line 4, enter difference; otherwise enter zero	7	
	8. Nonbusiness deductions included in line 2a and 2b above, plus Oklahoma nonbusiness deductions from Schedule 511NR-B Federal Amount Column (exclude capital gains) and Federal nonbusiness adjustments from Federal return	8	
	9. Nonbusiness income - other than capital gains. Combine Oklahoma nonbusiness income from Schedule 511NR-A Federal Amount Column and Federal nonbusiness income from Federal return	9	
	10. Add lines 7 and 9	10	
	11. If line 8 is larger than line 10, enter difference; otherwise enter zero	11	
	12. If line 10 is larger than line 8, enter difference (but do not enter more than line 7); otherwise enter zero	12	
	13. Enter business capital losses (before limitation). For 2005 and later years, also enter the business Oklahoma Capital Gain Deduction from Sch. 511NR-B, Federal Amount Column ..	13	
	14. Enter business capital gains (without regard to any IRC Section 1202 exclusion)	14	
	15. Add lines 12 and 14	15	
	16. If line 13 is larger than line 15 enter difference; otherwise enter zero	16	
	17. Add lines 6 and 16	17	
	18. Enter loss, if any, from line 16 of Schedule D (Form 1040)	18	
	19. IRC Section 1202 exclusion	19	
	20. Subtract line 19 from line 18. If zero or less, enter zero	20	
	21. Enter the loss, if any, from line 21 of Schedule D (Form 1040)	21	
	22. If line 20 is more than line 21, enter difference; otherwise enter zero	22	
	23. If line 21 is more than line 20, enter difference; otherwise enter zero	23	
	24. Subtract line 22 from line 17. If zero or less, enter zero	24	
	25. Oklahoma "Federal Amount Column" NOL from other years from Schedule 511NR-B, Federal Amount Column and the domestic production activities deduction from the Federal return	25	
	26. Combine lines 3, 11, 19, 23, 24 and 25 (Enter the NOL on Form 511NR, Schedule 511NR-B, Federal Amount Column for the tax year where the loss is being carried)	26	

Note: If more than zero, enter zero. You do not have a Federal Amount Column Oklahoma Net Operating Loss.

A copy of your Federal return is required.

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Nonresident/Part-Year Residents Only - Page 3



FORM 511NR-NOL
SCHEDULE A
OKLAHOMA
 Revised 2014

Taxpayer's first name and initial	Last name	Taxpayer Social Security Number
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TAX YEAR: _____	"Oklahoma Amount Column" NOL
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	1. Adjusted gross income: Oklahoma Sources from Form 511NR, line 6 (line 23 for 2012 and prior).....1		
DEDUCTIONS	2. a. Enter amount from Schedule A Instructions: either Standard or Itemized Deductions . 2a		
	b. Enter total Adjustments to Adjusted Gross Income from Schedule 511NR-C..... 2b		
	c. Add lines 2a and 2b		()
	3. Combine lines 1 and 2c. Enter the total here	3	
	Note: If line 3 is zero or more, do not complete remainder of schedule. There is no net operating loss.		
	ADJUSTMENTS: Lines 4 - 25 are entered as positive numbers.		
	4. Enter Oklahoma nonbusiness capital losses (before limitation). For 2005 and later years, also enter the nonbusiness Oklahoma Capital Gain Deduction from Schedule 511NR-B, Oklahoma Amount Column.....	4	
	5. Enter Oklahoma nonbusiness capital gains (without regard to any IRC Section 1202 exclusion)	5	
	6. If line 4 is larger than line 5, enter difference; otherwise enter zero.....	6	
	7. If line 5 is larger than line 4, enter difference; otherwise enter zero.....	7	
	8. Oklahoma nonbusiness deductions. Included in line 2a and 2b above, plus nonbusiness deductions from Schedule 511NR-B Okla. Amount Column (exclude capital gains) and Federal nonbusiness adjustments reported on Schedule 511NR-1, line 17 (Form 511NR, line 17 for 2012 and prior) Okla. Amount Column	8	
	9. Nonbusiness income - other than capital gains. Combine nonbusiness income from Schedule 511NR-A Oklahoma Amount Column and Federal nonbusiness income reported on Schedule 511NR-1, lines 1-17 (Form 511NR, lines 1-17 for 2012 and prior) Okla. Amount Column	9	
	10. Add lines 7 and 9	10	
	11. If line 8 is larger than line 10, enter difference; otherwise enter zero.....	11	
	12. If line 10 is larger than line 8, enter difference (but do not enter more than line 7); otherwise enter zero.....	12	
	13. Enter Oklahoma business capital losses (before limitation). For 2005 and later years, also enter the business Oklahoma Capital Gain Deduction from Schedule 511NR-B, Oklahoma Amount Column	13	
	14. Enter Oklahoma business capital gains (without regard to any IRC Section 1202 exclusion)	14	
	15. Add lines 12 and 14	15	
	16. If line 13 is larger than line 15 enter difference; otherwise enter zero.....	16	
	17. Add lines 6 and 16	17	
	18. Enter the entire amount of the Oklahoma net loss, if any, included in line 16 of Schedule D (Form 1040).....	18	
	19. IRC Section 1202 exclusion attributable to Oklahoma	19	
	20. Subtract line 19 from line 18. If zero or less, enter zero.....	20	
	21. Enter the entire amount of the Oklahoma net loss, if any, included in line 21 of Schedule D (Form 1040) - or - If there is no amount on the Federal Schedule D, line 21, but there is an amount on line 20 above, enter the amount from line 20 on this line.....	21	
	22. If line 20 is more than line 21, enter difference; otherwise enter zero.....	22	
	23. If line 21 is more than line 20, enter difference; otherwise enter zero.....	23	
	24. Subtract line 22 from line 17. If zero or less, enter zero.....	24	
	25. Oklahoma NOL from other years (Sch. 511NR-B, Oklahoma Amount Column) and the Federal domestic production activities deduction attributable to Oklahoma.....	25	
	26. Combine lines 3, 11, 19, 23, 24 and 25 (Enter the NOL on Form 511NR, Schedule 511NR-B, Oklahoma Amount Column for the tax year where the loss is being carried).....	26	

Note: If more than zero, enter zero. You do not have an Oklahoma Amount Column Oklahoma Net Operating Loss.

A copy of your Federal return is required.

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OKLAHOMA NET OPERATING LOSS(ES)

Nonresident/Part-Year Residents Only - Page 4

INTERVENING YEAR:

NOL YEAR:



Taxpayer's first name and initial	Last name
<input style="width:95%" type="text"/>	<input style="width:95%" type="text"/>

Taxpayer Social Security Number
<input style="width:95%" type="text"/>

**Computation of Net Operating Loss Carryover/Back
"Federal Amount Column"**

The "Federal Amount Column" NOL absorbed in each intervening year on Form 511NR will be the amount of the modified taxable income. The modified taxable income will be calculated using this worksheet. A separate NOL Schedule B must be used for each year.

I.	Net Operating Loss Deduction. Enter here as a <u>positive number</u> the NOL from NOL Schedule A, line 26. In succeeding year, enter amount from line III of previous year's NOL Schedule B						
	To compute modified taxable income:						I.
	A. To compute Oklahoma Adjusted Gross Income for the Intervening Year.						
	1. Federal Adjusted Gross Income from Form 511NR, line 2 (line 19 for 2012 and prior)	A1.					
	2. Oklahoma Additions from Schedule 511NR-A, Federal Amount Column. Be sure to include any Federal NOL carryover included in line A1 above. (Enter as a positive number).....	A2.					
	3. Oklahoma Subtractions from Schedule 511NR-B Federal Amount Column. Be sure to exclude the NOL for the NOL year entered above or later years	A3. ()					
	4. Adjusted Gross Income before the NOL deduction for the NOL year entered above. (Combine lines A1 through A3)			A4.			
	B. Modifications: (For intervening year)						
	1. Net capital loss deduction from Sch. D: line 21 (Note: Enter as a positive number.)			B1.			
	2. Section 1202 exclusion and domestic production activities deduction (enter as a positive number).....			B2.			
	3. Adjustments to Adjusted Gross Income from the Federal NOL carryover worksheet			B3.			
	C. Modified Oklahoma Adjusted Gross Income. (line A4 plus lines B1, B2 and B3.)					C.	
	D. Less Allowable Modified Itemized Deductions.						
	1. Itemized deductions reported on the return less the adjustments to itemized deductions from the Federal NOL carryover worksheet	D1.					
	OR						
	2. Oklahoma standard deduction if line D1 is not applicable (For 2005 and prior, computed on line C above)	D2.					
	3. Allowable deductions. (line D1 or D2)			D3. ()			
	E. Adjustments to Adjusted Gross Income from Schedule 511NR-C. Example: Military Pay Exclusion, Disability Deduction, etc					E. ()	
II.	Modified taxable income. (lines C combined with D3 and E.) If zero or less, enter zero						II.
III.	Oklahoma NOL carryover to the Federal Amount Column. (line I minus line II.) If zero or less, enter zero. Enter the NOL carryover on the next intervening year's return (Form 511NR, Sch. 511NR-B, Fed. Amount Column)....						III.

A copy of your Federal return is required for the intervening year entered above.

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Nonresident/Part-Year Residents Only - Page 5



INTERVENING YEAR:

NOL YEAR:



Taxpayer's first name and initial	Last name
<input type="text"/>	<input type="text"/>

Taxpayer Social Security Number
<input type="text"/>

**Computation of Net Operating Loss Carryover/Back
"Oklahoma Amount Column"**

The "Oklahoma Amount Column" NOL absorbed in each intervening year will be the amount of the modified Adjusted Gross Income - Oklahoma Source. The modified Adjusted Gross Income - Oklahoma Source will be calculated using this worksheet. **A separate NOL Schedule B must be used for each year.**

If the "Oklahoma Amount Column" NOL is carried into a year when the taxpayer is a full year resident, the NOL Schedule B for Form 511 will be used.

I. Net Operating Loss Deduction. Enter here as a <u>positive number</u> the NOL from NOL Schedule A, line 26. In succeeding year, enter amount from line III of previous year's NOL Schedule B.....			I.
	To compute modified taxable income:		
	A. To compute Oklahoma Adjusted Gross Income for the Intervening Year.		
	1. Oklahoma Source Income from Form 511NR, Line 1 (line 18 for 2012 and prior).....	A1.	
	2. Oklahoma Additions from Schedule 511NR-A, Oklahoma Amount Column. Be sure to include any Federal NOL carryover included in line A1 above. (Enter as a positive number)	A2.	
3. Oklahoma Subtractions from Schedule 511NR-B, Oklahoma Amount Column. Be sure to exclude the NOL for the NOL year entered above or later years	A3. ()		
4. Adjusted Gross Income before the NOL deduction for the NOL year entered above. (Combine lines A1 through A3)	A4.		
B. Modifications: (For intervening year)			
1. Oklahoma capital losses in excess of Oklahoma capital gains (included in the net capital loss limitation from Federal Sch. D). (Note: Enter as a positive number.)	B1.		
2. Section 1202 exclusion and domestic production activities deduction attributable to Oklahoma (enter as a positive number).....	B2.		
3. Adjustments to Adjusted Gross Income (attributable to income & deductions in the Okla. Amount Column) from the Federal NOL carryover worksheet.....	B3.		
II. Modified Oklahoma Adjusted Gross Income. (line A4 plus lines B1, B2 and B3.) If zero or less, enter zero			II.
III. Oklahoma NOL carryover to the Oklahoma Amount Column. (line I minus line II.) If zero or less, enter zero. Enter the Oklahoma NOL carryover on the next intervening year's return (Form 511NR, Sch. 511NR-B, Okla. Amount Column or Form 511, Sch. 511-A).			III.

A copy of your Federal return is required for the intervening year entered above.