Supplement to Form 511-NR Oklahoma Net Operating Loss(es) Nonresident/Part-Year Residents Only

Revised 2022

511-NR-NC

For loss years 2016 and subsequent, use this form. Form 511-NR-NOL for 2015 and prior can be located using the Forms link at **tax.ok.gov.**

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 (IRC) 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 that would be carried to Form 511.

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

The loss carryback and carryforward periods shall be determined solely by reference to Section 172 of the IRC. <u>An elec-</u> tion may be made to forego the NOL carryback period by any taxpayer entitled to a 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).

Notes:

A NOL that is a result of a farming loss may be carried back in accordance with the provisions contained in the IRC. 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 <u>net</u> income from all other sources other than reflected on Schedule F.

Schedule A Oklahoma Amount Column Instructions

Oklahoma NOL from Oklahoma Sources (Oklahoma Amount Column)

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

The Adjusted Gross Income (AGI) - Oklahoma Sources (511-NR) 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. For years 2018 and subsequent, Oklahoma itemized deductions are limited. Enter on lines 1 and 6 the portion of nonbusiness and business itemized deductions included in Form 511-NR, Schedule 511-NR-D, line 11. 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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~ `	511-NR-NOL Schedule A	Taxpayer's first name and initial	Last name	Taxpayer Social Security Number	
0 LL_F	FEDERAL	Tax Year:	"Feder	ral Amount Column" NOL	-
1.	AGI: All Sources fr	rom Form 511-NR, line 7		1	
2.	😰 a. Enter either	Oklahoma Standard or Itemized D	eductions	2a	
	a. Enter either b. Enter total C c. Add lines 2a	klahoma Adjustments to AGI from	Schedule 511-NR-C		
	c. Add lines 2a	and 2b)
3.		nd 2c. Enter the total here		F	
5.		ero or more, do not complete rema			
AD		es 4 - 25 are entered as positiv			
4.		capital losses (before limitation).		22	
ч.		Gain Deduction from Schedule 51			
5.	Enter nonbusiness	capital gains (without regard to ar	ny IRC Section 1202 excl	usion)5	
6.	If line 4 is larger the	an line 5, enter difference; otherwi	se enter "0"	6	
7.	If line 5 is larger the	an line 4, enter difference; otherwi	se enter "0"7		
8.	Nonbusiness dedu	ctions included in line 2a and 2b a	bove, plus Oklahoma no	nbusiness	
		chedule 511-NR-B Federal Amount ss adjustments from Federal retur	· ·		
9.	nonbusiness incom	ne - other than capital gains. Coml ne from Schedule 511-NR-A Federal siness income from Federal return	I Amount Column		
10.	Add lines 7 and 9.				
11.	If line 8 is larger the	an line 10, enter difference; otherw	vise enter "0"		
12.		han line 8, enter difference (but de wise enter "0"			
13.		bital losses (before limitation). Also Gain Deduction from Sch. 511-NR-B		13	
14.	•	pital gains (without regard to any IF			
15.	Add lines 12 and 1	4		15	
16.	If line 13 is larger t	han line 15 enter difference; other	wise enter "0"		
17.	Add lines 6 and 16			17	
18.	Enter loss, if any, fi	rom line 16 of Federal Schedule D)		
19.	IRC Section 1202	exclusion			
20.	Subtract line 19 fro	om line 18. If zero or less, enter "0"	,		
21.	Enter the loss, if ar	ny, from line 21 of Federal Schedu	le D		
22.	If line 20 is more th	nan line 21, enter difference; other	wise enter "0"		
23.	If line 21 is more th	nan line 20, enter difference; other	wise enter "0"		
24.	Subtract line 22 fro	om line 17. If zero or less, enter "0"	,		
25.		I Amount Column" NOL from other mestic production activities deduc			
26.	Column for the tax y	1, 19, 23, 24 and 25 (Enter the NO /ear where the loss is being carried)			
	Note: If more than z	ero, enter "0". You do not have a Fed	eral Amount Column Oklah	oma Net Operating Loss.	



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ORN	511-NR-NOL Schedule A	Taxpayer's first name and initial	Last name	Taxpayer Social Security Number
U LL	OKLAHOMA	Tax Year:	"Oklaho	ma Amount Column" NOL
1.	AGI: Oklahoma Sou	Irces from Form 511-NR, line 6		
2.	—	from Schedule A Instructions: eithe		
	b. Enter total Ad	ljustments to AGI from Schedule &	511-NR-C	2b
		and 2b		
3.	Combine lines 1 and	d 2c. Enter the total here		
	Note: If line 3 is ze	ro or more, do not complete rema	inder of schedule. There i	is no net operating loss.
L		s 4 - 25 are entered as positiv		
4.	nonbusiness Oklaho	nbusiness capital losses (before I ma Capital Gain Deduction from So olumn	chedule 511-NR-B,	
5.	Enter Oklahoma no	nbusiness capital gains (without reg	ard to any IRC Section 1202 exc	clusion) 5
6.		n line 5, enter difference; otherwis		
7.	-	n line 4, enter difference; otherwis		
8.	Oklahoma nonbusin deductions from Sched nonbusiness adjustmen	ness deductions. Included in line 2a a ule 511-NR-B Okla. Amount Column (ex its reported on Schedule 511-NR-1, line umn	and 2b above, plus nonbusines cclude capital gains) and Feder 17 (line 16 for 2018)	al
9.	income from Schedule 5 income reported on Sch	e - other than capital gains. Combi 511-NR-A Oklahoma Amount Column and 1edule 511-NR-1, lines 1-17 (lines 1-16 1 umn	l Federal nonbusiness for 2018)	
10.	Add lines 7 and 9			
11.	If line 8 is larger tha	n line 10, enter difference; otherw	<i>r</i> ise enter "0"	
12.		an line 8, enter difference (but do <i>i</i> se enter "0"		
13.	the business Oklaho	siness capital losses (before limitation of the second second second second second second second second second Column	Schedule 511-NR-B,	
14.	Enter Oklahoma bus IRC Section 1202 e	siness capital gains (without rega xclusion)	rd to any 14	
15.	Add lines 12 and 14			15
16.	If line 13 is larger th	an line 15 enter difference; otherv	wise enter "0"	
17.	Add lines 6 and 16			
18.	Enter the entire amo Federal Schedule D	ount of the Oklahoma net loss, if a	any, included in line 16 of	
19.	IRC Section 1202 e	xclusion attributable to Oklahoma	۱	
20. 21.	Enter the entire amore Federal Schedule D	n line 18. If zero or less, enter "0" ount of the Oklahoma net loss, if a 0 - or - If there is no amount on the unt on line 20 above, enter the an	any, included in line 21 of e Federal Schedule D, line	e 21,
22.	If line 20 is more that	an line 21, enter difference; otherv	wise enter "0"	
23.		an line 20, enter difference; otherv		
24.		n line 17. If zero or less, enter "0"		
25.	Oklahoma NOL from production activities of	n other years (Sch. 511-NR-B, Okla deduction attributable to Oklahoma	ahoma Amount Column) an	d the Federal domestic
26.	Amount Column for t	, 19, 23, 24 and 25 (Enter the NOI he tax year where the loss is being ro, enter "0". You do not have an Ok	carried)	

A copy of your Federal return is required.

Intervening Year:

NOL Year:

		oracino enily rage i	intervening it.				
К О	511-NR-NOL Schedule B	Taxpayer's first name and initial	Last name	Та	Taxpayer Social Security Number		
	FEDERAL	Computation of Net C	Operating Loss	Carry	over/Ba	ck	

"Federal Amount Column"

The "Federal Amount Column" NOL absorbed in each intervening year on Form 511-NR 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.

Ι.	<u>num</u> succ	Operating Loss Deduction. Enter here as a <u>positive</u> <u>ber</u> the NOL from NOL Schedule A, line 26. In ceeding year, enter amount from line III of previous 's NOL Schedule B		1.
	-	ompute modified taxable income:		
	Α.	To compute Oklahoma AGI		
		for the Intervening Year.		
		1. Federal AGI from Form	A1.	
		 511-NR, line 2 Oklahoma Additions from Schedule 511-NR-A, Federal Amount Column. Be sure to include any Federal NOL carryover included in line A1 above. 	A2.	
		 (Enter as a positive number) Oklahoma Subtractions from Schedule 511-NR- B Federal Amount Column. Be sure to exclude the NOL for the NOL year entered above or later years 	A3.()	
		4. AGI before the NOL deduction for the NOL year entered above. (Combine lines A1 through A3)	A	A4.
	В.	Modifications: (For intervening year)		
		1. Net capital loss deduction from Federal Schedule D line 21 (Note: Enter as a positive number.)		31.
		2. Section 1202 exclusion and domestic productio activities deduction (enter as a positive number)	n –	
		3. Adjustments to AGI from the		32.
		Federal NOL carryover worksheet	В	33.
	C.	Modified Oklahoma AGI. (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	D2.	
		3. Allowable deductions. (line D1 or D2)	D	03.()
	E.	Adjustments to AGI from Schedule 511-NR-C. Example : Military Pay Exclusion, Disability Deduction, etc		E.()
II.		lified taxable income. (lines C combined with and E.) If zero or less, enter "0"		п.
III.	(line I	homa NOL carryover to the Federal Amount Column minus line II.) If zero or less, enter "0". Enter the NOL carryover on the ttervening year's return (Form 511-NR, Sch. 511-NR-B, Fed. Amount Column)		

* Beginning tax year 2018, Oklahoma itemized deductions are limited to, and may not exceed, \$17,000. Charitable contributions and medical expenses are not subject to the \$17,000 limit. If your Oklahoma itemized deductions are limited, use Form 511-NR, Schedule 511-NR-D to determine your allowable modified itemized deductions.

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



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Intervening Year:

NOL Year:

\geq	511-NR-NOL
R	Schedule B
U L	OKLAHOMA

Taxpayer's first name and initial Last name

st name

Taxpayer Social Security Number

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 AGI - Oklahoma Source. The modified AGI - 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</u> <u>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.	
	То	comp	ute modified taxable income:				
	Α.		compute Oklahoma AGI				
		for	the Intervening Year.				
		1.	Oklahoma Source Income from Form 511-NR, Line 1	A1.			
	 Oklahoma Additions from Schedule 511-NR-A, Oklahoma Amount Column. Be sure to include any Federal NOL carryover included in line A1 above. (Enter as a positive number) Oklahoma Subtractions from Schedule 511-NR-B, 		A2.	-			
			Oklahoma Amount Column. Be sure to exclude the NOL for the NOL year entered above or later years	A3. ()			
		4.	AGI before the NOL deduction for the NOL year entered above. (Combine lines A1 through A3)		A4.		
	B. Modifications: (For intervening year)						
	 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.) 			deral Sch. D).	B1.		
		2.	Section 1202 exclusion and domestic production				
	attributable to Oklahoma (enter as a positive number)3. Adjustments to AGI (attributable to income & deductions)	B2.		
		5.	in the Okla. Amount Column) from the Federal NOL carry	over worksheet	B3.		
П.							
	(line A4 plus lines B1, B2 and B3.) If zero or less, enter "0"				II.		
111.	 Oklahoma NOL carryover to the Oklahoma Amount Column. (line I minus line II.) If zero or less, enter "0". Enter the Oklahoma NOL carryover on the next intervening year's return (Form 511-NR, Sch. 511-NR-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.