Oklahoma Net Operating Loss(es) Nonresident/Part-Year Residents Only



For loss years 2016 and subsequent, use this form. For loss years 2015 and prior, use the Form 511NR-NOL from the "Archives: Past Years Income Tax Forms" page of our website 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 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.

The loss carryback and carryforward periods 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 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 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 <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 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. 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 511NR, Schedule 511NR-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 | |

Oklahoma Net Operating Loss(es) Nonresident/Part-Year Residents Only - Page 2



| ΣΥ Υ | 511NR-NOL Schedule A | Taxpayer's first name and initial | Last name | Taxpayer Social Security Num | ıber |
|---------|------------------------------------|---|---------------------|----------------------------------|------|
| T _ | FEDERAL | Tax Year: | "F | ederal Amount Column" | NOL |
| 1. | Adjusted gross inco | ome: All Sources from Form 511N | IR, line 7 | | 1 |
| 2. | ன் a. Enter either | Oklahoma Standard or Itemized D | eductions | 2a | |
| | | Oklahoma Adjustments to Adjusted | | | |
| | 511NR-C | | | | |
| | | and 2b | | | , |
| 3. | | nd 2c. Enter the total hereero or more, do not complete rema | | | 3 |
| ΔΓ | | es 4 - 25 are entered as positiv | | There is no fiel operating loss. | |
| 4. | | capital losses (before limitation). | | ısiness | |
| ٦. | | Gain Deduction from Schedule 51 | | | |
| 5. | Enter nonbusiness | capital gains (without regard to ar | ny IRC Section 1202 | 2 exclusion)5 | |
| 6. | If line 4 is larger tha | an line 5, enter difference; otherwi | se enter zero | 6 | |
| 7. | If line 5 is larger that | an line 4, enter difference; otherwi | se enter zero7 | | |
| 8. | | ctions included in line 2a and 2b a | • • | | |
| | | chedule 511NR-B Federal Amount ss adjustments from Federal retur | , | . • , | |
| 9. | | ne - other than capital gains. Com | Г | | _ |
| Э. | | ne from Schedule 511NR-A Federal | | | |
| | and Federal nonbu | siness income from Federal return | 9 | | |
| 10. | Add lines 7 and 9. | | | 10 | |
| 11. | If line 8 is larger that | an line 10, enter difference; otherv | vise enter zero | | 11 |
| 12. | - | han line 8, enter difference (but de wise enter zero | | | |
| 13. | | oital losses (before limitation). Also Gain Deduction from Sch. 511NR-B, | | ımn13 | |
| 14. | Enter business cap 1202 exclusion) | oital gains (without regard to any IF | 4.4 | | |
| 15. | Add lines 12 and 1 | 4 | | 15 | |
| 16. | If line 13 is larger the | han line 15 enter difference; other | wise enter zero | 16 | |
| 17. | Add lines 6 and 16 | | | 17 | |
| 18. | Enter loss, if any, fi | rom line 16 of Federal Schedule D | | 18 | |
| 19. | IRC Section 1202 | exclusion | | | 19 |
| 20. | Subtract line 19 fro | om line 18. If zero or less, enter ze | ro | 20 | |
| 21. | Enter the loss, if ar | ny, from line 21 of Federal Schedu | le D | 21 | |
| 22. | If line 20 is more th | nan line 21, enter difference; other | wise enter zero | 22 | |
| 23. | If line 21 is more th | nan line 20, enter difference; other | wise enter zero | | 23 |
| 24. | Subtract line 22 fro | om line 17. If zero or less, enter ze | ro | | 24 |
| 25. | | al Amount Column" NOL from other or | | | 25 |
| 26. | Column for the tax y | 1, 19, 23, 24 and 25 (Enter the NO year where the loss is being carried) ero, enter zero. You do not have a Fed | | | |

Oklahoma Net Operating Loss(es) Nonresident/Part-Year Residents Only - Page 3



| ZY. | 511NR-NOL Schedule A | Taxpayer's first name and initial | Last name | Taxpayer Social Security Number |
|--------------|---|--|---|---------------------------------|
| \mathbb{L} | OKLAHOMA | Tax Year: | "Oklaho | ma Amount Column" NOL |
| 1. | Adjusted gross inco | me: Oklahoma Sources from Forr | m 511NR, line 6 | 1 |
| 2. | a. Enter amount | from Schedule A Instructions: either | er Standard or Itemized Dec | ductions . 2a |
| | 일 b. Enter total Ad | ljustments to Adjusted Gross Inco | me from Schedule 511NF | R-C2b |
| | ISI | and 2b | | |
| 3. | Combine lines 1 and Note: If line 3 is zero | d 2c. Enter the total herero or more, do not complete rema | inder of schedule. There | is no net operating loss. |
| AC | JUSTMENTS: Line | s 4 - 25 are entered as positiv | e numbers. | |
| 4. | nonbusiness Oklaho | nbusiness capital losses (before li ma Capital Gain Deduction from So olumn | chedule 511NR-B, | 4 |
| 5. | Enter Oklahoma nor | nbusiness capital gains (without rega | ard to any IRC Section 1202 ex | clusion) 5 |
| 6. | If line 4 is larger tha | n line 5, enter difference; otherwis | se enter zero | 6 |
| 7. | • | n line 4, enter difference; otherwis | | |
| 8. | deductions from Schedu nonbusiness adjustmen | ness deductions. Included in line 2a a ule 511NR-B Okla. Amount Column (exc ats reported on Schedule 511NR-1, line umn | clude 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 511NR-A Oklahoma Amount Column and nedule 511NR-1, lines 1-17 (lines 1-16 fo umn | Federal nonbusiness or 2018) | |
| 10. | Add lines 7 and 9 | | | 10 |
| 11. | If line 8 is larger tha | n line 10, enter difference; otherw | vise enter zero | 11 |
| 12. | | an line 8, enter difference (but do | | |
| 13. | the business Oklaho | siness capital losses (before limita oma Capital Gain Deduction from S Column | Schedule 511NR-B, | 13 |
| 14. | | siness capital gains (without regal | | |
| 15. | Add lines 12 and 14 | | | 15 |
| 16. | If line 13 is larger th | an line 15 enter difference; otherv | vise enter zero | 16 |
| 17. | Add lines 6 and 16. | | | 17 |
| 18. | Enter the entire amore Federal Schedule D | ount of the Oklahoma net loss, if a | any, included in line 16 of | 18 |
| 19. | IRC Section 1202 e | xclusion attributable to Oklahoma | | 19 |
| 20. 21. | Enter the entire amo | m line 18. If zero or less, enter zer ount of the Oklahoma net loss, if a o - or - If there is no amount on the unt on line 20 above, enter the am | 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 | vise enter zero | 22 |
| 23. | If line 21 is more that | an line 20, enter difference; otherv | vise enter zero | 23 |
| 24. | | m line 17. If zero or less, enter zer | | |
| 25. | production activities | n other years (Sch. 511NR-B, Okla deduction attributable to Oklahoma. | | 25 |
| 26. | Amount Column for t | , 19, 23, 24 and 25 (Enter the NOI he tax year where the loss is being ro, enter zero. You do not have an OI | carried) | 26 |

Oklahoma Net Operating Loss(es)
Nonresident/Part-Year Residents Only - Page 4 Intervening Year:

| | | Ħ | | I |
|---|----------|---|---|---|
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| $\sum_{n=1}^{\infty}$ | 511NR-NO Schedule | L |
|-----------------------|----------------------|---|
| | Schedule | В |
| | FEDERAL | |

| dents Only - Page 4 | Intervening Year: | | NOL Year: | |
|-----------------------------------|-------------------|-----------------|-----------------|--|
| Taxpayer's first name and initial | Last name | Taxpayer Social | Security Number | |

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.

| modi | iioa ta | ixable income will be calculated using this worksheet. A sept | Tato NOE Concado B maot so acoa for cac | |
|------|--------------------|--|---|------|
| I. | num succ yea | Operating Loss Deduction. Enter here as a positive nber the NOL from NOL Schedule A, line 26. In ceeding year, enter amount from line III of previous r's NOL Schedule B | | I. |
| | Тос | compute modified taxable income: | | |
| | A. | To compute Oklahoma Adjusted Gross Income | | |
| | | for the Intervening Year. | | |
| | | Federal Adjusted Gross Income from Form 511NR, line 2 | A1. | |
| | | Oklahoma Additions from Schedule 511NR-A, Federal Amount Column. Be sure to include any Federal NOL carryover included in line A1 above. (Exter an 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.() | |
| | | Adjusted Gross Income before the NOL deduction for the NOL year entered above. (Combine lines A1 through A3) | A4. | |
| | B. | Modifications: (For intervening year) | | |
| | | Net capital loss deduction from Federal Schedule D line 21 (Note: Enter as a positive number.) | | |
| | | Section 1202 exclusion and domestic production activities deduction (enter as a positive number) | B2. | |
| | | Adjustments to Adjusted Gross Income from the Federal NOL carryover worksheet | В3. | |
| | C. | Modified Oklahoma Adjusted Gross Income. | | |
| | | (line A4 plus lines B1, B2 and B3.) | C. | |
| | D. | Less Allowable Modified Itemized Deductions. | | |
| | - | Itemized deductions reported on the return less | | |
| | | the adjustments to itemized deductions from the | | |
| | | Federal NOL carryover worksheet * | D1. | |
| | | <u>OR</u> | | |
| | | 2. Oklahoma standard deduction if line D1 is not | D2. | |
| _ | | applicable | | |
| | | 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. | | dified taxable income. (lines C combined with and E.) If zero or less, enter zero | | II. |
| III. | Okla | ahoma NOL carryover to the Federal Amount Column. | | |
| | (line I | minus line II.) If zero or less, enter zero. Enter the NOL carryover on the ntervening year's return (Form 511NR, Sch. 511NR-B, Fed. Amount Column) | | III. |
| | | | | 1 |

^{*} 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 511NR, Schedule 511NR-D to determine your allowable modified itemized deductions.



Oklahoma Net Operating Loss(es)

Nonresident/Part-Year Residents Only - Page 5 Intervening Year: NOL Year:

| Σ | 511NR-NOL Schedule B OKLAHOMA |
|--------|-------------------------------------|
| | Schedule B |
| \cup | OKLAHOMA |

| Taxpayer's first name and initial Last name | | | Taxpayer Social Security Number |
|---|--|-----|---------------------------------|
| | | | |
| | | - 1 | |

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. | | • | Prating Loss Deduction . Enter here as a <u>positive</u> the NOL from NOL Schedule A, line 26. | | | | |
|------|--|----|---|----------------------|-----|------|--|
| | | | eding year, enter amount from line III of year's NOL Schedule B | | | ı. | |
| | | | ute modified taxable income: | | | | |
| | A. | | compute Oklahoma Adjusted Gross Income | | | | |
| | | 1. | the Intervening Year. Oklahoma Source Income from Form 511NR, | | | | |
| | | 2. | Line 1 | A1. | | | |
| | 3. (Enter as a positive number) | | | | | | |
| | | 4. | Adjusted Gross Income before the NOL deduction for the NOL year entered above. (Combine lines A1 through A3) | | A4. | | |
| | B. | Мо | difications: (For intervening year) | | | | |
| | | 1. | Oklahoma capital losses in excess of Oklahoma (included in the net capital loss limitation from Fe | | | | |
| | | | (Note: Enter as a positive number.) | • | B1. | | |
| | | 2. | Section 1202 exclusion and domestic production | activities deduction | | | |
| | | 3. | attributable to Oklahoma (enter as a positive number Adjustments to Adjusted Gross Income (attributable to in | • | B2. | | |
| | | J. | in the Okla. Amount Column) from the Federal NOL carry | | B3. | | |
| II. | • | | | | | | |
| | (line A4 plus lines B1, B2 and B3.) If zero or less, enter zero | | | _ | II. | | |
| III. | | | | | | | |
| | (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.