

# Form 511-NOL

Supplement to Form 511

## OKLAHOMA NET OPERATING LOSS

### FULL YEAR RESIDENTS ONLY

### N.O.L. INSTRUCTIONS

**An election may be made to forego the Net Operating Loss (NOL) carryback period. A written statement of the election must be part of the timely filed Oklahoma loss year return.**

- For a 1993 Oklahoma NOL, the loss carryback shall be for a period of three years.
- For a 1994 Oklahoma NOL, the loss carryback shall be for a period of two years.
- For a 1995 Oklahoma NOL, the loss carryback shall be for a period of one year.
- For 1996 and subsequent Oklahoma NOLs, no loss carryback shall be allowed.
- For 1993 and subsequent Oklahoma NOLs, the NOL carryforward shall not exceed 15 years.

## COMPUTATION OF ITEMIZED DEDUCTIONS

When there is positive out-of-state income, the following steps will be used to calculate the itemized deductions attributable to the Oklahoma NOL. When there is no positive out-of-state income, all of the itemized deductions will be claimed on the Oklahoma NOL computation. If using standard deduction, go directly to Schedule A.

- A. When there is a positive Oklahoma Adjusted Gross Income and positive out-of-state income, the amount of itemized deductions allowable is the Oklahoma pro rata share, as per the instructions on the Oklahoma Return.
- B. When there is a negative Oklahoma Adjusted Gross Income and positive out-of-state income, the allowable portion of the itemized deductions is computed as follows. The total allowable nonbusiness deductions cannot exceed the amount of nonbusiness income.

	Example A	Example B	Taxpayer's Use
1. Nonbusiness itemized deductions	10,000.00	5,000.00	
2. Nonbusiness income	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.	5,000.00	2,000.00	
6. Business itemized deductions.	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  
FULL YEAR RESIDENTS ONLY  
N.O.L. SCHEDULE A**

**Form  
511-NOL**

**COMPUTATION OF OKLAHOMA NET OPERATING LOSS FOR TAX YEAR 19 \_\_\_\_\_**

1.	Oklahoma adjusted gross income from Form 511: .....		1.	
2.	Deductions .....			
	a. Enter amount from the N.O.L. Instructions: Computation of Itemized Deductions <b>or</b> Oklahoma Standard Deduction if you did not itemize.	2a.		
	b. ENTER Oklahoma adjustments to income. (Examples: Military Pay Exclusion, Interest Exclusion, etc.) .....	2b.		
	c. Multiply \$1,000 by the total number of exemptions on your Form 511. ....	2c.		
	d. Add lines 2a, 2b, and 2c. ....	2d.	( )	
3.	Combine lines 1 and 2d. ....		3.	
	<b>NOTE:</b> If line 3 is zero or more, do not complete remainder of schedule. There is no net operating loss.			
	<b>ADJUSTMENTS:</b> line 4 through 24 are entered as positive numbers.			
4.	Exemptions from line 2c above. ....		4.	
5.	Enter Oklahoma nonbusiness capital losses. ....	5.		
6.	Enter Oklahoma nonbusiness capital gains. ....	6.		
7.	If line 5 is larger than line 6, enter difference; otherwise enter zero. ....	7.		
8.	If line 6 is larger than line 5, enter difference; otherwise enter zero. ....	8.		
9.	Oklahoma nonbusiness deductions. (i.e. included in line 2a and 2b above, nonbusiness adjustments on Federal return, etc.). ....	9.		
10.	Oklahoma nonbusiness income. (Other than capital gains). ....	10.		
11.	Add lines 8 and 10. ....	11.		
12.	If line 9 is larger than line 11, enter difference; otherwise, enter zero. ....		12.	
13.	If line 11 is larger than line 9, enter difference (but do not enter more than line 8); otherwise, enter zero. ....	13.		
14.	Enter business capital losses. ....	14.		
15.	Enter business capital gains. ....	15.		
16.	Add lines 13 and 15. ....	16.		
17.	If line 14 is larger than line 16 enter difference; otherwise, enter zero. ....	17.		
18.	Add lines 7 and 17. ....	18.		
19.	Enter Net Oklahoma Loss, if any included in line 18 (1990 and 1993 - 1997), line 17 (1991) or line 19 (1992) of Schedule D (Form 1040) .....	19.		
20.	Enter Net Oklahoma Loss, if any, included in line 19 (1990 and 1993 - 1997), line 18 (1991) or line 20 (1992) of Schedule D (Form 1040). ....	20.		
21.	Subtract line 20 from line 19. ....	21.		
22.	Subtract line 21 from line 18. ....	22.		
23.	Net operating loss from other years. ....	23.		
24.	Add lines 4, 12, 22, and 23. ....		24.	
25.	Combine lines 3 and 24. Oklahoma Net Operating Loss. ....		25.	

