

New Mexico Taxation and Revenue Department
2024 New Mexico Corporate Income Tax
Net Operating Loss Carryforward Worksheet

Name of Corporation	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	FEIN	99-9999999
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Section 2

NOL Carryforward Worksheet for tax years starting in 2020

Complete this section if a loss was reported by a corporation in tax years beginning **January 1, 2020**. This schedule is completed whether the corporation is filing a separate return or is filing as a member of a filing group. For members of a filing group, this section must be completed for each corporation in the filing group that reported a loss in these tax years. Complete additional Section 2 forms for each corporation in the filing group that reported a loss. This section is **ONLY** completed if the corporation or filing group has an NOL carryover from tax years 2020 and afterward. Carefully refer to the instructions for completing each line.

1	For each tax year starting with tax year 2020 that a loss was reported, enter the last day of the tax year at the top of the column to the right (mm/dd/ccyy). If you need report more than three tax years, add additional pages.	MM/DD/CCYY	MM/DD/CCYY	MM/DD/CCYY
2	The amount net operating loss reported to New Mexico in the tax year above.	999,999,999	999,999,999	999,999,999
3	Apportionment factor use in the tax year above. This is the New Mexico apportionment percentage reported on the return. This is a %.	999,999,999	999,999,999	999,999,999
4	Multiply line 2 by the percentage on line 3 and enter it here. This the apportioned NOL carryforward from this tax year.	999,999,999	999,999,999	999,999,999

5a	Utilization of the loss	For each tax year that the loss reported on line 2 was used to take a deduction, list both the tax year and the amount of the loss used. Enter the last day of the tax year followed by the dollar amount that was used for the deduction. If you need more space for additional tax years, add additional pages.	Use the following format			
			mm/dd/ccyy	MM/DD/CCYY	MM/DD/CCYY	MM/DD/CCYY
			amount of utilization	999,999,999	999,999,999	999,999,999
			mm/dd/ccyy	MM/DD/CCYY	MM/DD/CCYY	MM/DD/CCYY
			amount of utilization	999,999,999	999,999,999	999,999,999
			mm/dd/ccyy	MM/DD/CCYY	MM/DD/CCYY	MM/DD/CCYY

5b	Add all amounts shown on line 5a.	999,999,999	999,999,999	999,999,999
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6	Remaining balance of loss. Subtract line 5b from line 4 and enter here. This the available remaining NOL carryforward available from this tax year.	999,999,999	999,999,999	999,999,999
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7	Total remaining NOL carryforward balance for this corporation in these tax years (add all balances on line 6).	999,999,999		
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New Mexico Taxation and Revenue Department

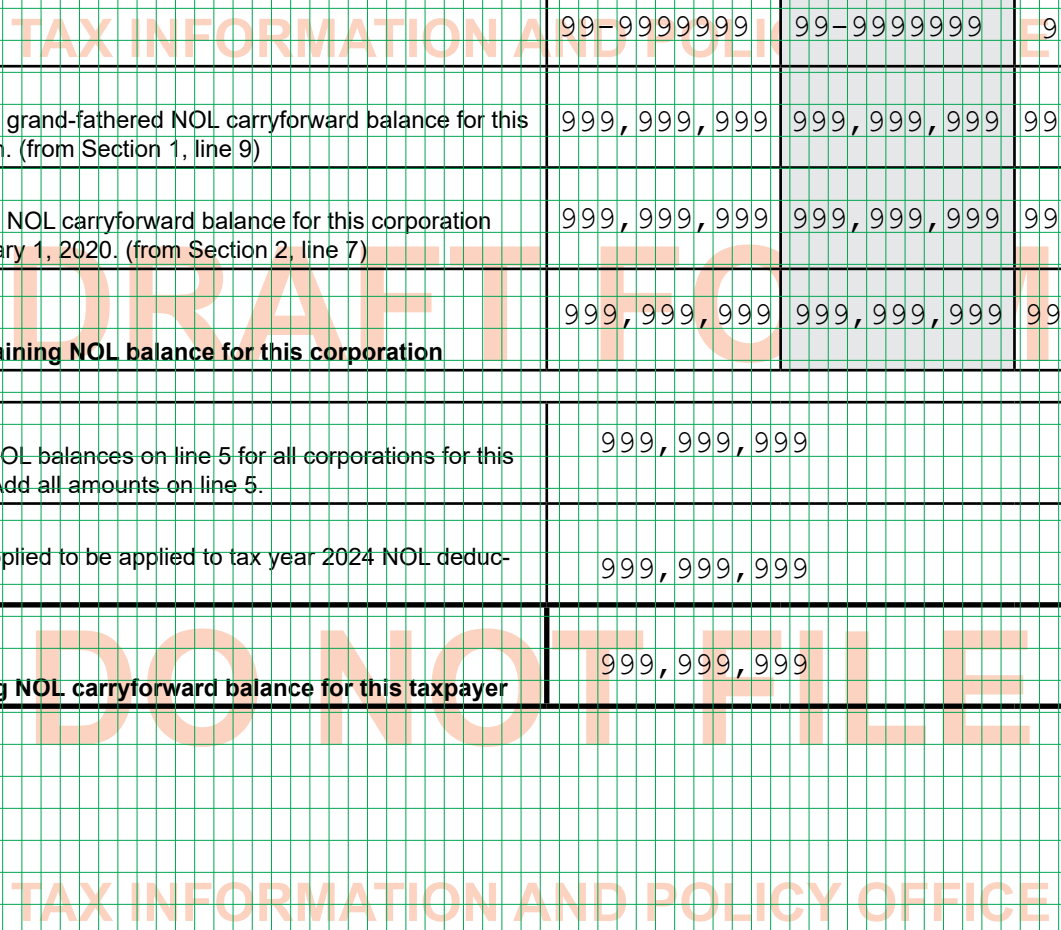
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Net Operating Loss Carryforward Worksheet

Name of Corporation	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	FEIN	99-9999999
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Section 3

NOL Carryforward Summary and calculation of 2024 NOL deduction
Use the amounts provided in Section 1 and Section 2 to determine the allowable NOL deduction. If a filing group has more than three corporations with losses, add more pages.

1	Name of Corporation	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
2	FEIN	99-9999999	99-9999999	99-9999999
3	Remaining grand-fathered NOL carryforward balance for this corporation. (from Section 1, line 9)	999,999,999	999,999,999	999,999,999
4	Remaining NOL carryforward balance for this corporation after January 1, 2020. (from Section 2, line 7)	999,999,999	999,999,999	999,999,999
5	Total remaining NOL balance for this corporation	999,999,999	999,999,999	999,999,999
6	Total the NOL balances on line 5 for all corporations for this taxpayer. Add all amounts on line 5.	999,999,999		
7	Amount applied to be applied to tax year 2024 NOL deduction	999,999,999		
8	Remaining NOL carryforward balance for this taxpayer	999,999,999		



New Mexico Taxation and Revenue Department

2024 New Mexico Corporate Income Tax Net Operating Loss Carryforward Worksheets Instructions for Sections 1, 2, and 3

About the New Mexico Net Operating Loss

The New Mexico net operating loss (NOL) deduction is the portion of the NOL carryover that may be deducted from the taxpayer's apportioned net income under the Internal Revenue Code as of January 1, 2018 for the taxable year in which the deduction is taken, including the 80% limitation of Section 172(a) of the Internal Revenue Code as of January 1, 2018, calculated on the basis of the taxpayer's apportioned net income.

This means that New Mexico conforms with the federal law regarding NOLs **before** the changes provided in the federal 2020 CARES Act. The New Mexico NOL deduction includes the 80% limitation to the deduction that may be taken from the taxpayer's apportioned net income and **does not** allow for the carryback of an NOL deduction to prior years.

Determining the grandfathered in NOL carryover

The amount of NOL carryover for the taxpayer includes the amount of any grandfathered NOL carryover and is recorded on *Supplemental Carryforward Schedule 2a*. This is the amount of net loss properly reported to New Mexico for taxable years beginning January 1, 2013 and prior to January 1, 2020 as part of a timely filed original return, or **an amended return for those taxable years filed prior to January 1, 2020**, to the extent such loss can be attributed to one or more corporations that are properly included in the taxpayer's return for the first taxable year beginning on or after January 1, 2020. That net loss must be reduced by adding back deductions that were taken by the corporation or corporations for royalties or interest paid to one or more related corporations, but only to the extent that such adjustment would not create a net loss for such related corporations.

The net loss included in the grandfathered carryover must also be reduced by the amount of net operating loss deductions taken prior to January 1, 2020 that would be charged against those losses consistent with the Internal Revenue Code and provisions of the Corporate Income and Franchise Tax Act applicable to the year of the deduction. Finally, the remaining net loss must be apportioned to New Mexico using the apportionment factors that can properly be attributed to the corporation or corporations for the year of the net loss.

Calculating the NOL carryover

Use *NOL Carryforward Schedule 1* to determine the amount of the NM NOL Carryforward. The taxpayer's NOL carryover includes the portion of the unused grandfathered NOL carryover for that year and the apportioned net loss properly reported on an original or amended tax return for taxable years beginning on or after January 1, 2020 by the taxpayer,

including a filing group as properly determined under the Corporate Income and Franchise Tax Act. The NOL carryover also includes the portion of an apportioned net loss properly reported to New Mexico for a taxable year beginning on or after January 1, 2020, on a separate year return, to the extent the taxpayer would have been entitled to include the portion of the apportioned net loss in the taxpayer's consolidated NOL carryforward under the IRC, including IRC Sec. 382, and the consolidated filing rules if the taxpayer filed a consolidated federal return including the consolidated filing rules.

The NOL carryover is then reduced by the amount of the net operating loss carryover attributed to an entity that has left the unitary filing group, computed in a manner consistent with the consolidated filing requirements of the Internal Revenue Code and applicable regulations, as if the taxpayer were filing a consolidated return. The amount of NOL carryover for the current year is also reduced by the amount of net operating loss deductions properly taken by the taxpayer in past years, charged against grandfathered NOLs or NOLs created for years after January 1, 2020, in the order of the oldest filing year for which the net loss was created, on a proportional basis on the net loss for the members of the group, consistent with federal consolidated filing rules.

Instructions for completing the NOL Carryforward Worksheet

Use this form to calculate the amount of New Mexico NOL carryforward available to be claimed as a deduction on line 16 of the 2024 CIT-1 return.

Section 1. Grandfathered in NOL Carryforward

Complete Section 1 if you have a loss that was reported in tax years 2013 through 2019. If you did not report a loss in these tax years, do not complete Section 1 and go to Section 2.

Line 1. Tax Years the Net Operating Loss was reported. Enter the last day of the tax year that a New Mexico Net Operating Loss was reported. Use the format mm/dd/ccyy to enter the date. If there was more than one tax year where a loss was reported, enter the additional tax years in the column to the right. Each column represents a different tax year. If there was more than three tax years where a loss was reported, add additional sheets to allow for the reporting of these additional tax years.

For example: A loss was reported on a New Mexico return by the corporation in tax years 2015, 2016 and 2017. The

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Instructions for Sections 1, 2, and 3**

corporation filed those years using a fiscal year that is the same as the calendar year. In line 1, "12/31/2015" is entered in the first column. In the second column, "12/31/2016" is entered, in the third column "12/31/2017."

Line 2. Amount of Net Operating Loss reported. Enter the dollar amount of Net Operating Loss reported for the corresponding tax year entered in line 1. This amount does not reflect the amount of NOL deduction that may have been claimed in that year. It is the amount of loss that was reported in that tax year.

Line 3. Adjusting Entry (+/-). Adjusting entries are net of additions/subtractions to New Mexico NOL. Adjustments consist of adding back deductions that were taken by the corporation for royalties or interest paid to related corporations. These amounts may not be included as part of the loss when determining a NOL deduction for 2024. Enter the adjusting entry, where applicable, to the New Mexico reported loss in each corresponding tax year reported.

Line 4. Adjusted net operating loss. Depending on the amount of the adjustment, subtract/add the amount line 3 to/from the amount on line 2. Enter the difference.

Line 5a. Utilization of the Loss. Use the lines in line 5a to show how the loss reported in the tax year in line 1 was utilized. Utilization means how a loss originally reported in one tax year is used in a later tax year for an NOL deduction. Use the format shown to the left of these columns to report the tax years that the loss was used and the amounts that were used in those tax years. Identify the tax year by stating the last day of the tax year using "mm/dd/ccyy" and directly below the year enter the dollar amount that was used. If you need more columns, add additional pages.

Line 5b. Add all the amounts shown on line 5a. Total the amounts listed in line 5a. The total amount being utilized (the total NOL deductions reported in line 5a) cannot be greater than the amount of loss reported on line 2.

Note: Because of the adjusting entry in line 4, the total amount of NOL deductions reported in line 5a may be larger than the amount on line 2.

Line 6. Remaining Balance of NOL. Subtract line 5b from line 4 and enter the amount. If this number is negative, enter zero.

Line 7. Apportionment factor. Enter the apportionment factor that was used in the tax year of the loss. This is the tax year from line 1. The apportionment factor is the New Mexico apportionment reported in that tax year.

Line 8. Remaining Balance. Multiply line 6 by the percentage in line 7 and enter here. This is the available remaining apportioned NM NOL carryforward from this loss.

Line 9. Total Remaining NOL. Add up all the columns on line 8 and enter the total apportioned NOL carryforward balance for these tax years. This is the total amount of NOL grand-fathered carryforward.

Section 2.**NOL Carryforward for tax years starting in 2020**

Complete Section 2 if you had a loss that was reported in tax year 2020 or after.

Line 1. Tax Years of when Net Operating Loss reported.

Enter the last day of the tax year that a New Mexico Net Operating Loss was reported. Use the format mm/dd/ccyy to enter the date. If there was more than one tax year where a loss was reported, enter the additional tax years in the column to the right. Each column represents a different tax year. If there was more than three tax years where a loss was reported, add additional sheets to allow for the reporting of these addition tax years.

Line 2. Amount of Net Operating Loss reported. Enter the dollar amount of Net Operating Loss reported for the corresponding tax year entered in line 1. This amount is the loss that was reported on the New Mexico return.

Line 3. Apportionment factor. Enter the apportionment factor that was used in the tax year of the loss. This is the tax year from line 1. The apportionment factor is the New Mexico apportionment reported in that tax year.

Line 4. Multiply line 2 by the percentage on line 3 and enter it here. This the apportioned NOL carryforward from this tax year.

Line 5a. Utilization of the Loss. Use the lines in line 5a to show how the loss reported in the tax year in line 1 was utilized. Utilization means how a loss originally reported in one tax year is used in a later tax year for an NOL deduction. Use the format shown to the left of these columns to report the tax years that the loss was used and the amounts that were used in those tax years. Identify the tax year by stating the last day of the tax year using "mm/dd/ccyy" and directly below the year enter the dollar amount that was used. If you need more columns, add additional pages. If you need more columns, add additional pages.

Line 5b. Add all the amounts shown on line 5a. Total the amounts listed in line 5a. The total amount being utilized (the

total NOL deductions reported in line 5a) cannot be greater than the amount of loss reported on line 4.

Line 6. Remaining Balance of NOL. Subtract line 5b from line 5b. This amount will be a positive number or zero.

Line 7. Total Remaining NOL. Add all the remaining balances of NOL on line 6 for all columns (including any additional pages). This is the total NOL carryforward balance for this corporation in these tax years.

Section 3.

NOL Carryforward Summary and Calculation of 2024 NOL Deduction

Line 1. Name of Corporation. In each column enter the name of the corporation that is a part of the 2024 filing group.

Line 2. FEIN. Enter the FEIN for the corresponding corporation entered in line 1.

Line 3. Remaining Grandfathered NOL Carryforward. For each column, list the corporation's grandfathered NOL carryforward from the total calculated on Section 1 line 9.

Line 4. Remaining Post-2020 NOL Carryforward. For each column, list the corporation's grandfathered NOL carryforward from the total calculated on Section 2 line 7.

Line 5. Total Remaining NOL Balance. Add line 3 to line 4. Enter here.

Line 6. Total NOL balances. Add all the amounts from line 5 in all columns and enter it here. This is total NOL carryforward balance for the entire filing group. (If filing a separate return for an individual corporation, simply enter the single amount reported on line 5).

Line 7. Amount of 2024 NOL Deduction. Enter the amount of NOL deduction that will be claimed for 2024 CIT-1.

Line 8. Remaining NOL Carryforward Balance. Subtract line 7 from line 6 and enter the amount here. This is the balance of NOL carryforward currently remaining for this filing group (or individual corporation filing separately).

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