

Schedule NOL Form 1120ME - 2023

For calculating net operating loss (NOL) recapture subtraction modification

Attach this schedule to your 2023 Form 1120ME

Column 1	Column 2	Column 3	Column 4	Column 5
Year of Loss	Amount of Loss	Disallowed Carryback/Carryover	Previously Recaptured	Available NOL Recapture
Total NOL recapture available for 2023: Enter this amount on Form 1120ME, Schedule 1S, line 6.				

General Instructions

Note: Unless otherwise stated, line references in the following instructions are to the 2023 forms; line references to prior year forms may differ.

This schedule is used to determine the amount of net operating loss (“NOL”) subtraction modification available to claim for the current tax year. A NOL subtraction modification is generated when the entity has a federal NOL carryback or carryover that is disallowed for Maine income tax purposes. The disallowance of a NOL carryback or carryover requires an addition modification on the Maine income tax return. This addition modification can generally be recaptured through a subtraction modification in the year or years after the loss.

If the entity has a NOL for a tax year ending in 2001 or later that was carried back for federal purposes, but added back to income under 36 M.R.S. §§ 5200-A(1)(H) or 5200-A(1)(M), a deduction is allowed in tax years beginning after the year of the loss (except tax years 2009 through 2011), on Form 1120ME, Schedule 1S, line 6 equal to the amount of the income addition modification. The deduction must be claimed within the allowable NOL carryforward period plus

the number of years the deduction was denied with respect to tax years beginning in 2009 through 2011. The deduction cannot reduce Maine taxable income to less than zero and must not have been previously used as a subtraction modification.

If the entity has a NOL carryforward that was limited under 36 M.R.S. § 5200-A(1)(U) for the tax year beginning in 2008 or denied under 36 M.R.S. § 5200-A(1)(V) for tax years beginning in 2009 through 2011, a deduction is allowed on Form 1120ME, Schedule 1S, line 6 equal to the amount of the income addition modification. The deduction must be within the allowable NOL carryforward period plus the number of years the carryforward was limited or denied under 36 M.R.S. §§ 5200-A(1)(U) or 5200-A(1)(V) and 5200-A(2)(T). The deduction cannot reduce Maine taxable income to less than zero and must not have been previously used as a subtraction modification.

For more information and examples regarding modifications relating to net operating losses, go to www.maine.gov/revenue/income-estate-tax and select Guidance Documents.

Specific Instructions

Column 1 - Year of Loss. Enter the originating tax year of the federal net operating loss. If there are multiple loss years, enter the earliest year first.

Column 2 - Amount of Loss. Enter the federal net operating loss for the year in column 1.

Column 3 - Disallowed Carryback/Carryforward. Enter the portion of the NOL in column 2 that was carried back, or carried forward for federal purposes but was not allowed for Maine purposes. If the loss was carried back for federal purposes, attach a copy of federal Form 1139 or Form 1120X reflecting the carryback.

Column 4 - Previously Recaptured. Enter the portion from column 3 that has been recaptured on Form 1120ME, Schedule 1S, line 6 in a prior year. Include in this column any amount of Maine addition modification that was offset by the federal loss on the Maine corporate income tax return in the year of the loss.

Column 5 - Available NOL Recapture. Subtract column 4 from column 3 and enter the result in column 5. The total of column 5 is the maximum recapture amount available for 2023. Enter the column 5 total on Form 1120ME, Schedule 1S, line 6.

Attach this schedule to the 2023 Form 1120ME.