

## Supplement to Form 511NR

# OKLAHOMA NET OPERATING LOSS(ES) NONRESIDENT/PART-YEAR RESIDENTS ONLY

FORM **511NR-NOL**

Revised 2017

For loss years 2016 and subsequent, use this form. For loss years 2015 and prior, use the NOL form from the "Archives: Past Years Income Tax Forms" page of our website at [www.tax.ok.gov](http://www.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. 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:

An 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 net income from all other sources other than reflected on Schedule F.

You may choose to treat a farming loss as if it were not a farming loss. To make this choice, attach a statement to your loss year return stating that you are choosing to treat the farming loss as if it were not a farming loss under Section 172(i)(3) of the Internal Revenue Code.

## 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. 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	

**Supplement to Form 511NR**  
**OKLAHOMA NET OPERATING LOSS(ES)**  
**Nonresident/Part-Year Residents Only - Page 2**



**FORM 511NR-NOL**  
**SCHEDULE A**  
**FEDERAL**

Taxpayer's first name and initial	Last name	Taxpayer Social Security Number
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TAX YEAR: _____	<b>"Federal Amount Column" NOL</b>
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	1. Adjusted gross income: All Sources from Form 511NR, line 7.....	1	
DEDUCTIONS	2a. Enter either Oklahoma Standard or Itemized Deductions.....	2a	
	2b. Enter total Oklahoma Adjustments to Adjusted Gross Income from Schedule 511NR-C .....	2b	
	2c. Add lines 2a and 2b .....	2c	(      )
	3. Combine lines 1 and 2c. Enter the total here .....	3	

**Note:** If line 3 is zero or more, do not complete remainder of schedule. There is no net operating loss.

**ADJUSTMENTS: Lines 4 - 25 are entered as positive numbers.**

	4. Enter nonbusiness capital losses (before limitation). Also enter the nonbusiness Oklahoma Capital Gain Deduction from Schedule 511NR-B, Federal Amount Column ...	4	
	5. Enter nonbusiness capital gains (without regard to any IRC Section 1202 exclusion) ....	5	
	6. If line 4 is larger than line 5, enter difference; otherwise enter zero.....	6	
	7. If line 5 is larger than line 4, enter difference; otherwise enter zero.....	7	
	8. Nonbusiness deductions included in line 2a and 2b above, plus Oklahoma nonbusiness deductions from Schedule 511NR-B Federal Amount Column (exclude capital gains) and Federal nonbusiness adjustments from Federal return.....	8	
	9. Nonbusiness income - other than capital gains. Combine Oklahoma nonbusiness income from Schedule 511NR-A Federal Amount Column and Federal nonbusiness income from Federal return .....	9	
	10. Add lines 7 and 9 .....	10	
	11. If line 8 is larger than line 10, enter difference; otherwise enter zero.....	11	
	12. If line 10 is larger than line 8, enter difference ( <b>but do not enter more than line 7</b> ); otherwise enter zero.....	12	
	13. Enter business capital losses (before limitation). Also enter the business Oklahoma Capital Gain Deduction from Sch. 511NR-B, Federal Amount Column .....	13	
	14. Enter business capital gains (without regard to any IRC Section 1202 exclusion) .....	14	
	15. Add lines 12 and 14 .....	15	
	16. If line 13 is larger than line 15 enter difference; otherwise enter zero.....	16	
	17. Add lines 6 and 16 .....	17	
	18. Enter loss, if any, from line 16 of Federal Schedule D .....	18	
	19. IRC Section 1202 exclusion .....	19	
	20. Subtract line 19 from line 18. If zero or less, enter zero.....	20	
	21. Enter the loss, if any, from line 21 of Federal Schedule D .....	21	
	22. If line 20 is more than line 21, enter difference; otherwise enter zero.....	22	
	23. If line 21 is more than line 20, enter difference; otherwise enter zero.....	23	
	24. Subtract line 22 from line 17. If zero or less, enter zero.....	24	
	25. Oklahoma "Federal Amount Column" NOL from other years from Schedule 511NR-B, Federal Amount Column and the domestic production activities deduction from the Federal return .....	25	
	26. Combine lines 3, 11, 19, 23, 24 and 25 (Enter the NOL on Form 511NR, Schedule 511NR-B, Federal Amount Column for the tax year where the loss is being carried) .....	26	

**Note:** If more than zero, enter zero. You do not have a Federal Amount Column Oklahoma Net Operating Loss.

**A copy of your Federal return is required.**

**Supplement to Form 511NR**  
**OKLAHOMA NET OPERATING LOSS(ES)**  
**Nonresident/Part-Year Residents Only - Page 3**



**FORM 511NR-NOL**  
**SCHEDULE A**  
**OKLAHOMA**

Taxpayer's first name and initial	Last name	Taxpayer Social Security Number
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TAX YEAR: _____	<b>"Oklahoma Amount Column" NOL</b>
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	1. Adjusted gross income: Oklahoma Sources from Form 511NR, line 6 .....1		
DEDUCTIONS	2. a. Enter amount from Schedule A Instructions: either Standard or Itemized Deductions . 2a		
	b. Enter total Adjustments to Adjusted Gross Income from Schedule 511NR-C..... 2b		
	c. Add lines 2a and 2b .....2c	(      )	
	3. Combine lines 1 and 2c. Enter the total here ..... 3		

**Note:** If line 3 is zero or more, do not complete remainder of schedule. There is no net operating loss.

**ADJUSTMENTS: Lines 4 - 25 are entered as positive numbers.**

	4. Enter Oklahoma nonbusiness capital losses (before limitation). Also enter the nonbusiness Oklahoma Capital Gain Deduction from Schedule 511NR-B, Oklahoma Amount Column.....4		
	5. Enter Oklahoma nonbusiness capital gains (without regard to any IRC Section 1202 exclusion) .... 5		
	6. If line 4 is larger than line 5, enter difference; otherwise enter zero..... 6		
	7. If line 5 is larger than line 4, enter difference; otherwise enter zero.....7		
	8. Oklahoma nonbusiness deductions. Included in line 2a and 2b above, plus nonbusiness deductions from Schedule 511NR-B Okla. Amount Column (exclude capital gains) and Federal nonbusiness adjustments reported on Schedule 511NR-1, line 17 Oklahoma Amount Column ..... 8		
	9. Nonbusiness income - other than capital gains. Combine nonbusiness income from Schedule 511NR-A Oklahoma Amount Column and Federal nonbusiness income reported on Schedule 511NR-1, lines 1-17 Oklahoma Amount Column .....9		
	10. Add lines 7 and 9 .....10		
	11. If line 8 is larger than line 10, enter difference; otherwise enter zero..... 11		
	12. If line 10 is larger than line 8, enter difference ( <b>but do not enter more than line 7</b> ); otherwise enter zero..... 12		
	13. Enter Oklahoma business capital losses (before limitation). Also enter the business Oklahoma Capital Gain Deduction from Schedule 511NR-B, Oklahoma Amount Column .....13		
	14. Enter Oklahoma business capital gains (without regard to any IRC Section 1202 exclusion) ..... 14		
	15. Add lines 12 and 14 .....15		
	16. If line 13 is larger than line 15 enter difference; otherwise enter zero.....16		
	17. Add lines 6 and 16 .....17		
	18. Enter the entire amount of the Oklahoma net loss, if any, included in line 16 of Federal Schedule D ..... 18		
	19. IRC Section 1202 exclusion attributable to Oklahoma ..... 19		
	20. Subtract line 19 from line 18. If zero or less, enter zero.....20		
	21. Enter the entire amount of the Oklahoma net loss, if any, included in line 21 of Federal Schedule D - <b>or</b> - If there is no amount on the Federal Schedule D, line 21, but there is an amount on line 20 above, enter the amount from line 20 on this line.....21		
	22. If line 20 is more than line 21, enter difference; otherwise enter zero.....22		
	23. If line 21 is more than line 20, enter difference; otherwise enter zero.....23		
	24. Subtract line 22 from line 17. If zero or less, enter zero.....24		
	25. Oklahoma NOL from other years (Sch. 511NR-B, Oklahoma Amount Column) and the Federal domestic production activities deduction attributable to Oklahoma.....25		
	26. Combine lines 3, 11, 19, 23, 24 and 25 (Enter the NOL on Form 511NR, Schedule 511NR-B, Oklahoma Amount Column for the tax year where the loss is being carried) .....26		

**Note:** If more than zero, enter zero. You do not have an Oklahoma Amount Column Oklahoma Net Operating Loss.

**A copy of your Federal return is required.**



