AR1100NOL
INSTRUCTIONS (Net Operating Loss Schedule)

This form should be used to calculate Net Operating Loss (NOL) amounts to enter on Line 28 or Schedule A, Line C3 of the Arkansas Form AR1100CT or P2, Line 21 or P3, Section C, Line 3 on Form AR1100PET.

Tax Year: Enter the tax year beginning and tax year ending dates in the fields provided.

Name of Corporation: Enter the Corporation/Entity Name as it appears on the return.

FEIN: Enter the Corporation/Entity FEIN as it appears on the return

Tax Year: Enter each proceeding tax year ending date in this column formatted MM/DD/YYYY. Example 12/31/2020. List oldest year first.

Income (Loss after adjustments): Enter each proceeding tax year Net Income (Loss). Net Operating losses should be entered after adjustments for Non-taxable Income so as to equal the actual amount of NOL Established.

Prior Year - NOL Claimed: Enter NOL previously claimed in each proceeding tax year as applicable (Leave blank if tax year ending Net Income was positive and therefore no NOL established).

Prior Year - Available: Enter the NOL available from each proceeding tax year as applicable. This amount should equal the Net Loss after adjustments minus amounts in the NOL Claimed column. (Leave blank if tax year ending Net Income was positive and therefore no NOL was established). The sum of Available NOL from Prior Years should be entered on the NOL Carryforward Available to Claim Current Year row.

Current Year NOL Claimed: Enter the amount of Net Operating Loss deduction being claimed from available amounts for each proceeding tax year as applicable. (should not exceed Available). The Current Year row amount should equal the sum of all NOL Claimed from the above proceeding tax years and will be the NOL Deduction claimed on the Tax Return.

Next Year NOL Carryforward: Enter the amount of NOL remaining available for future years after any claims in the Current Year NOL. Note: The oldest proceeding tax year would expire due to the statute of limitations after the current year if not utilized. See limitations below. Enter any Current Year Net Operating Losses after adjustments if applicable in the Current Year row under this column. The Sum of Next Year NOL Carryforward from each prior year should be entered on the bottom row labeled NOL Carryforward Available to Claim Next Year.

NOL Carryforward Adjustment Calculation Worksheet: The bottom section is a worksheet used to calculate the Current Year row for the Income (Loss) after adjustments column. The NOL Carryforward Adjustments Calculation is for the Current Year Arkansas NOL to be established. Line 1: enter the Arkansas Net Taxable Loss before adjustments. Line 2: Enter add back adjustments for Non-taxable income by type on Line 2.a – 2.h as appropriate. Line 3: Enter the Percentage Attributable to Arkansas from the tax return form. Line 4: Multiply Line 2.i. by Line 3 to get the Apportioned Add Back. Line 5: Enter the total of Line 1 minus Line 4. This is the Total NOL Established to be available to claim as a deduction in future tax years.

Arkansas Regulation 2.26-51-102(17)(B) states that tax years for a fractional part of a year will be counted as a full tax year for carryforward of net operating losses and tax credits unless otherwise specified by law.

Arkansas Code Annotated 26-51-427 provides that net operating losses must be claimed in the first year available. A taxpayer may not forego a net operating loss deduction in a year it could have been used and then claim it in a subsequent year.

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INSTRUCTIONS (Net Operating Loss Schedule) Cont.

For tax years beginning 1/1/2021 or later, NOL will carry forward for 10 years. For tax years beginning 1/1/2020 through 12/31/2020, NOL carries forward 8 years. For tax years beginning before 1/1/2020 NOL carries forward 5 years.

$35,000 of the $50,000 NOL was claimed in prior years with positive NTI.

In the context of the current tax year, $15,000 NOL is available from 2020 and $10,000 from 2022.

Tax Year beginning __1-1-2024__ and ending __12-31-2024__

Corporation Name __EXAMPLE CORP__   FEIN __99-9999999__

Preceding Tax Year	Tax Year	Income (Loss) after adjustments	Prior Year		Current Year	Next Year
			NOL Claimed	Available	NOL Claimed	NOL Carryforward
5th	2019	60,000	0	0	0	
4th	2020	-50,000	35,000	-15,000	15,000	0
3rd	2021	30,000	0	0	0	0
2nd	2022	-10,000	0	-10,000	5,000	-5,000
1st	2023	5,000	0	0	0	0
	NOL Carryforward Available To Claim Current Year			-25,000		
2024	Current Year	20,000			20,000	-5,000
	NOL Carryforward Available To Claim Next Year					-5,000

Net taxable income

$15,000 from 2020 and $5,000 from 2022 utilized for current year NTI of $20,000