



Net Operating Loss Worksheet

For 1998 and prior years Loss Year _____

Note: For NOL's generated in tax year 1999 and forward, use Form NOL
Attach NOL worksheets to all tax returns affected by NOL

Name _____ Social Security Number _____

I. State Additions & Subtractions

- 1. Federal adjusted gross income 1. _____
2. Interest received on non-Montana bonds 2. _____
3. Federal refunds received 3. _____
4. Add lines 1, 2, and 3 4. _____
5. Itemized deductions 5. _____
6. Enter the reductions of wages under the targeted jobs credit 6. _____
7a. Net non-Montana income (Only years prior to 1992. Nonresident & part year resident only) 7a. _____
7b. Net non-Montana losses (Only years prior to 1992. Nonresident & part year resident only) 7b. _____
8. Add lines 4, 5, 6, and 7a or 7b. (Montana NOL before adjustments.) 8. _____

II. Nonbusiness Deductions in Excess of Nonbusiness Income

- 9. Enter your nonbusiness capital losses 9. _____
10. Enter your nonbusiness capital gains 10. _____
11. If the amount on line 9 is larger than the amount on line 10, enter the difference; otherwise, enter zero 11. _____
12. If the amount on line 10 is larger than the amount on line 9, enter the difference; otherwise, enter zero 12. _____
13. Enter your nonbusiness deductions (Itemized deductions, IRA, etc.) 13. _____
(Federal income taxes must be prorated between taxable business income and taxable nonbusiness income. If you have no business income, federal income taxes are fully attributable to nonbusiness income)
14. Enter your nonbusiness income (other than capital gains) (Include amounts shown on lines 2 and 3) 14. _____
15. Add lines 12 and 14 15. _____
16. If line 13 is more than line 15, enter the difference; otherwise enter zero 16. _____

III. Adjustment for Capital Loss Limitation

- 17. If line 15 is more than line 13, enter the difference (but not more than line 12); otherwise, enter zero 17. _____
18. Enter your business capital losses 18. _____
19. Enter your business capital gains 19. _____
20. Add lines 17 and 19 20. _____
21. If line 18 is more than line 20, enter the difference; otherwise enter zero .. 21. _____
22. Add lines 11 and 21, but no more than your capital loss limitation 22. _____
23. Enter any Net Operating Losses from other years included in Federal adjusted gross income on line 1. (Enter as a positive number) 23. _____
24. Add lines 16, 22 and 23 24. _____
25. Add lines 8 and 24. This is your Montana Net Operating Loss 25. _____

Check box if you forego carryback and elect to carryforward. The election must be made on the original timely filed return.

Calculation of Loss Absorbed in Carryover Years

| | Year _____ | Year _____ | Year _____ | Year _____ |
|--|------------|------------|------------|------------|
| 1. Federal adjusted gross income as last determined (w/o loss) | _____ | _____ | _____ | _____ |
| 2. Add: Adjustments | | | | |
| (a) Capital gain deduction (Federal) | _____ | _____ | _____ | _____ |
| (b) Non-Montana interest | _____ | _____ | _____ | _____ |
| (c) Federal refund | _____ | _____ | _____ | _____ |
| (d) Capital loss deduction | _____ | _____ | _____ | _____ |
| 3. Federal adjusted gross income as adjusted (add lines 1, 2a, 2b, 2c and 2d) | _____ | _____ | _____ | _____ |
| 4. Less: Itemized deductions or standard deduction (complete lines A through O) | _____ | _____ | _____ | _____ |
| 5. Modified Income (NOL absorbed) (line 3 minus line 4) | _____ | _____ | _____ | _____ |
| Itemized Deductions | | | | |
| A. 50% medical insurance premiums (1995 & 1996) and 100% medical insurance premiums (beginning 1997) | _____ * | _____ | _____ | _____ |
| B. Unadjusted medical expenses | _____ | _____ | _____ | _____ |
| C. 7.5% of line 3 (5% for 1986) | _____ | _____ | _____ | _____ |
| D. Subtract C from B | _____ * | _____ | _____ | _____ |
| E. Taxes | _____ * | _____ | _____ | _____ |
| F. Interest | _____ * | _____ | _____ | _____ |
| G. Contributions | _____ * | _____ | _____ | _____ |
| H. Unadjusted casualty Loss From Form 4684 | _____ | _____ | _____ | _____ |
| I. 10% of line 3 | _____ | _____ | _____ | _____ |
| J. Subtract I from H | _____ * | _____ | _____ | _____ |
| K. Unadjusted miscellaneous expenses | _____ | _____ | _____ | _____ |
| L. 2% of line 3 | _____ | _____ | _____ | _____ |
| M. Subtract line L from K | _____ * | _____ | _____ | _____ |
| N. Miscellaneous deductions (not subject to 2%) | _____ * | _____ | _____ | _____ |
| O. Total: (Add lines marked with an asterisk * A, D, E, F, G, J, M and N) | _____ | _____ | _____ | _____ |

If carryover of a NOL is more than 4 years, attach an additional worksheet.
Line 1 may have to be adjusted when dealing with more than one NOL within the same year.

