



**Note:** *The draft you are looking for begins on the next page.*

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Most forms and publications have a page on IRS.gov: [IRS.gov/Form1040](https://www.irs.gov/Form1040) for Form 1040; [IRS.gov/Pub501](https://www.irs.gov/Pub501) for Pub. 501; [IRS.gov/W4](https://www.irs.gov/W4) for Form W-4; and [IRS.gov/ScheduleA](https://www.irs.gov/ScheduleA) for Schedule A (Form 1040), for example, and similarly for other forms, pubs, and schedules for Form 1040. When typing in a link, type it into the address bar of your browser, not a Search box on IRS.gov.

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# Net Operating Losses (NOLs)

For Individuals, Estates, and Trusts.

Go to [www.irs.gov/Form172](http://www.irs.gov/Form172) for instructions and the latest information.

OMB No. 1545-0074

For calendar year \_\_\_\_\_, or other tax year beginning \_\_\_\_\_ and ending \_\_\_\_\_

Name(s) shown on return \_\_\_\_\_ Social security or employer identification number \_\_\_\_\_

Address (number and street). If you have a P.O. box, see instructions. \_\_\_\_\_ Apt. or suite no. \_\_\_\_\_ Spouse's social security number (SSN) \_\_\_\_\_

City, town, or post office. If you have a foreign address, also complete spaces below. \_\_\_\_\_ State \_\_\_\_\_ ZIP code \_\_\_\_\_ Daytime phone number \_\_\_\_\_

Foreign country name \_\_\_\_\_ Foreign province/county \_\_\_\_\_ Foreign postal code \_\_\_\_\_

## Part I NOL (see instructions)

1	For individuals, subtract your standard deduction or itemized deductions from your adjusted gross income (AGI) and enter it here. For estates and trusts, enter taxable income increased by the total of the charitable deduction, income distribution deduction, and exemption amount . . . . .	1
2	Nonbusiness capital losses before limitation. Enter as a positive number . . . . .	2
3	Nonbusiness capital gains (without regard to any section 1202 exclusion) . . . . .	3
4	If line 2 is more than line 3, enter the difference. Otherwise, enter -0- . . . . .	4
5	If line 3 is more than line 2, enter the difference. Otherwise, enter -0- . . . . .	5
6	Nonbusiness deductions (see instructions). Enter as a positive number . . . . .	6
7	Nonbusiness income other than capital gains (see instructions) . . . . .	7
8	Add lines 5 and 7 . . . . .	8
9	If line 6 is more than line 8, enter the difference. Otherwise, enter -0- . . . . .	9
10	If line 8 is more than line 6, enter the difference. Otherwise, enter -0-. <b>But don't enter more than line 5</b> . . . . .	10
11	Business capital losses before limitation. Enter as a positive number . . . . .	11
12	Business capital gains (without regard to any section 1202 exclusion) . . . . .	12
13	Add lines 10 and 12 . . . . .	13
14	Subtract line 13 from line 11. If zero or less, enter -0- . . . . .	14
15	Add lines 4 and 14 . . . . .	15
16	Enter, if any, the combined net short-term and long-term capital loss from your Schedule D (Form 1040). Estates and trusts, enter, if any, the total net short-term and long-term loss from Schedule D (Form 1041). Enter as a positive number. If you don't have a loss on that line (and don't have a section 1202 exclusion), skip lines 16 through 21 and enter on line 22 the amount from line 15 . . . . .	16
17	Section 1202 exclusion. Enter as a positive number . . . . .	17
18	Subtract line 17 from line 16. If zero or less, enter -0- . . . . .	18
19	If line 16 is a loss, enter, as a positive number, the smaller of: • The loss on line 16; or • \$3,000 (If filing Form 1040, \$1,500 when married filing separately) . . . . .	19
20	If line 18 is more than line 19, enter the difference. Otherwise, enter -0- . . . . .	20
21	If line 19 is more than line 18, enter the difference. Otherwise, enter -0- . . . . .	21
22	Subtract line 20 from line 15. If zero or less, enter -0- . . . . .	22
23	NOL deduction for losses from other years. Enter as a positive number . . . . .	23
24	<b>NOL. Combine lines 1, 9, 17, and 21 through 23. If the result is less than zero, enter it here. If the result is zero or more, you don't have an NOL . . . . .</b>	24

**Part II NOL Carryover** (see instructions)

Complete one column before going to the next column. Start with the earliest carryback year.

	2nd preceding tax year ended: _____	1st preceding tax year ended: _____
<b>1 NOL deduction.</b> Enter as a positive number . . . . .		
<b>2</b> Taxable income before the current year NOL carryback. For estates and trusts, increase this amount by the sum of the charitable deduction (see instructions) . . . . .		
<b>3</b> Net capital loss deduction (see instructions) . . . . .		
<b>4</b> Section 1202 exclusion. Enter as a positive number (see instructions) . . . . .		
<b>5</b> Qualified business income deduction (see instructions) . . . . .		
<b>6</b> Adjustment to adjusted gross income (AGI) (see instructions) . . . . .		
<b>7</b> Adjustment to itemized deductions from line 33 below (see instructions) . . . . .		
<b>8 Estates and trusts,</b> enter exemption amount . . . . .		
<b>9 Modified taxable income.</b> Add lines 2 through 8. If zero or less, enter -0- . . . . .		
<b>10 NOL carryover to the subsequent year.</b> Subtract line 9 from line 1. Enter the result from the first preceding tax year here and on the net operating loss line of Schedule 1 (Form 1040) or Form 1040-NR or the net operating loss deduction line of Form 1041. If zero or less, enter -0- (see instructions) . . . . .		
<b>Adjustment to Itemized Deductions (Individuals Only).</b> Complete lines 11 through 33 for the carryback year(s) for which you itemized deductions <b>only</b> if line 3, 4, or 5 above is more than zero.		
<b>11</b> AGI before the current year NOL carryback . . . . .		
<b>12</b> Add lines 3 through 6 above . . . . .		
<b>13 Modified AGI.</b> Add lines 11 and 12 . . . . .		
<b>14</b> Medical and dental expenses after AGI limitation from Sch. A (Form 1040), or as previously adjusted . . . . .		
<b>15</b> Medical and dental expenses before AGI limitation from Sch. A (Form 1040), or as previously adjusted . . . . .		
<b>16</b> Multiply line 13 by 7.5% (0.075) . . . . .		
<b>17</b> Subtract line 16 from line 15. If zero or less, enter -0- . . . . .		
<b>18</b> Subtract line 17 from line 14 . . . . .		
<b>19</b> Mortgage insurance premiums from Sch. A (Form 1040), for tax years before 2022, or as previously adjusted . . . . .		
<b>20</b> Refigured mortgage insurance premiums (see instructions) . . . . .		
<b>21</b> Subtract line 20 from line 19 . . . . .		

Part II

NOL Carryover (see instructions) (continued)

Complete one column before going to the next column. Start with the earliest carryback year.	2nd preceding tax year ended: _____	1st preceding tax year ended: _____
22 Modified AGI from line 13 . . . . .		
23 Enter as a positive number any NOL carryback from a prior year that was deducted to figure line 11 . . . . .		
24 Add lines 22 and 23 . . . . .		
25 Total charitable contributions for Sch. A (Form 1040 or Form 1040-NR), or as previously adjusted (see instructions) . . . . .		
26 Refigured charitable contributions (see instructions) . . . . .		
27 Subtract line 26 from line 25 . . . . .		
28 Casualty and theft losses deduction from Form 4684 . . . . .		
29 Casualty and theft losses before AGI limitation from Form 4684 . . . . .		
30 Multiply line 22 by 10% (0.10) . . . . .		
31 Subtract line 30 from line 29. If zero or less, enter -0- . . . . .		
32 Subtract line 31 from line 28 . . . . .		
33 Combine lines 18, 21, 27, and 32; enter the result here and on line 7 . . . . .		