

**Corporation Application for Tentative Refund**  
 (See Instruction B for When to File)  
**Do Not Attach to Your Income Tax Return—File Separately to Expedite Processing**

OMB No. 1545-0582  
 Expires 11-30-84

<b>Name</b>	<b>Employer identification number</b>
<b>Number and Street</b>	
<b>City or Town, State, and ZIP code</b>	

<b>1</b> This application is filed to carryback:	Net operating loss (attach computation—see instruction D) ▶	\$	Unused investment credit ▶	\$	Unused research credit ▶	\$
	Net capital loss (attach computation—see instruction E) ▶	\$	Unused WIN credit ▶	\$		
			Unused jobs credit ▶	\$		

<b>2</b> Return for year of carryback, OR overpayment under section 1341(b)(1) . . . ▶	(a) Tax year ended	(b) Date filed	(c) Service center where filed
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**3** Was a consolidated return filed for the year specified in item 2? . . . . .  Yes  No  
 If "Yes," enter the employer identification number shown on such return if different than above ▶

<b>4</b> (a) Preceding tax year affected by carryback	(b) Service center where returns filed (City and State)	(c) Unpaid tax for which extension of time for payment of tax on Form 1138 is in effect	(d) Was a consolidated return filed?
3rd		\$	Yes <input type="checkbox"/> No <input type="checkbox"/>
2nd			
1st			

**5** If Form 1138 (Extension of Time for Payment of Taxes by a Corporation Expecting a Net Operating Loss Carryback) has been filed, was an extension of time granted for filing the return for the year of the net operating loss? . . . . .  Yes  No  
 If "Yes," give date to which extension was granted ▶ Give date Form 1138 was filed ▶

<b>6</b> If you changed your accounting period, give date permission to change was granted	<b>7</b> Date of incorporation	<b>8</b> If this is an application of a dissolved corporation, give date of dissolution
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**9** Have you filed a petition in Tax Court for the year or years to which the carryback is to be applied? . . . . .  Yes  No

Computation of Decrease in Tax	3rd preceding tax year ended ▶		2nd preceding tax year ended ▶		1st preceding tax year ended ▶	
	(a) As last determined	(b) After carryback	(c) As last determined	(d) After carryback	(e) As last determined	(f) After carryback
<b>1</b> Taxable income before deducting lines 2 and 4 . . . . .						
<b>2</b> Net capital gains offset by capital loss carryback (see instruction E for limitation) . . . . .	/		/		/	
<b>3</b> Subtract line 2 from line 1 . . . . .						
<b>4</b> Net operating loss deduction after carryback . . . . .	/		/		/	
<b>5</b> Taxable income (subtract line 4 from line 3) . . . . .						
<b>6</b> Income tax (see instruction C) . . . . .						
<b>7</b> Foreign tax credit . . . . .						
<b>8</b> Investment credit (see instruction F) . . . . .						
<b>9</b> WIN credit (see instruction F) . . . . .						
<b>10</b> Jobs credit (see instruction F) . . . . .						
<b>11</b> Research credit (see instruction F) . . . . .						
<b>12</b> Subtract sum of lines 7 through 11 from line 6 . . . . .						
<b>13</b> Personal holding company tax (Sch. PH 1120) . . . . .						
<b>14</b> Tax from recomputing prior year investment credit . . . . .						
<b>15</b> Tax from recomputing prior year WIN credit . . . . .						
<b>16</b> Minimum tax . . . . .						
<b>17</b> Total of lines 12 through 16 . . . . .						
<b>18</b> Enter amounts from line 17, cols. (b), (d) and (f) . . . . .		/		/		/
<b>19</b> Decrease in tax (subtract line 18 from line 17) . . . . .						
<b>20</b> Overpayment of tax due to a claim of right adjustment under section 1341(b)(1)—attach computation (see instruction G) . . . . .						

Under penalties of perjury, I declare that I have examined this application, including any accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete.

# Instructions

(References are to the Internal Revenue Code)

**Paperwork Reduction Act Notice.**—The Paperwork Reduction Act of 1980 says we must tell you why we are collecting this information, how we will use it, and whether you have to give it to us. We ask for the information to carry out the Internal Revenue laws of the United States. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

**Note:** A corporation may elect to carry forward a net operating loss instead of first carrying it back by attaching a statement to this effect on a timely filed return (including any extensions) for the year of the loss. Once you make such an election, it is irrevocable for that tax year. The carry forward is limited to 15 years, whether or not a carryback is used first.

**A. Purpose of Form.**—A corporation must use this form to apply for:

(1) A quick refund of taxes from carryback of a net operating loss, a net capital loss, unused investment credit, unused WIN credit, unused jobs credit or unused research credit.

(2) A quick refund of taxes from an overpayment of tax due to a claim of right adjustment under section 1341(b)(1).

This does not apply to a "Small Business Corporation" that elects the tax treatment provided by subchapter S.

**B. When and Where to File.**—This form must be filed with the Internal Revenue Service Center where the corporation is required to file its income tax return.

It must be filed within 1 year after the end of the year in which the net operating loss, net capital loss, unused credit, or claim of right adjustment arose, but only after the return for such year is filed.

In the following cases, if a carryback reduces a credit taken in a prior year, the unused credit that arises may be carried back 3 additional years.

- A net operating loss carryback or a net capital loss carryback eliminates or reduces an investment credit, WIN credit, jobs credit, or research credit in a prior year.

- An investment credit carryback reduces a WIN credit, jobs credit, or research credit in a prior year.

- A WIN credit carryback reduces a jobs credit, or research credit in a prior year.

- A jobs credit carryback reduces a research credit in a prior year.

Since the unused credit created affects the taxes of a year or years prior to the 3 years preceding the loss year or the unused credit year, a separate Form 1139 must be used for such prior year(s). In such case, the second application must also be filed within 1 year after the year in which the net operating loss, net capital loss, or the unused credit arose but only after the return for such year is filed. To expedite processing, both Forms 1139 should be filed together.

Do not attach Form 1139 to your income tax return.

A corporation that has filed Form 1138 and wishes a further extension of time for payment must file Form 1139 on or before

the last day of the month in which falls the due date (including any extension of time granted) for filing the return for the tax year of the net operating loss from which the carryback results.

**C. Computation of Decrease in Tax.**—Enter in columns (a), (c), and (e) the tax for the applicable carryback year as shown on the original or amended return. If the return was examined, enter the amounts that were determined as a result of the examination.

To arrive at the decrease in the tax previously determined, recompute the tax after taking the carryback(s) into account. Form 1120 and Schedule D (Form 1120) and instructions for the applicable year will be helpful in making this recomputation. Attach a detailed computation of the new tax liability shown on line 6 and, if applicable, the alternative tax liability. If the alternative tax applies write "Sch. D" in each applicable column. The computation must take into account (1) sections 1561 through 1564 and (2) changes in the alternative tax rates under section 1201.

A net capital loss carryback will affect the net long-term capital gain of a prior year and also the alternative tax computation that took the capital gain into account.

A corporation will also be required to recompute its minimum tax for a prior year in which it had items of tax preference, if a net operating loss, net capital loss, or unused credit, was carried back to that year. Attach a recomputation of the minimum tax for the prior year using Form 4626.

The quick refund is limited to the tax decrease that results from the carryback and its effect upon any items taken into account in computing the tax previously determined (plus any refund for an overpayment of tax under section 1341(b)(1)).

Deductions that are limited by taxable income are to be recomputed after carryback of a net operating loss or net capital loss. The deduction for charitable contributions, however, is computed without regard to any carryback. Attach a schedule showing the recomputation. Also, credits based on or limited by the tax must be recomputed on the basis of the tax liability after application of the carrybacks.

**D. Net Operating Loss Carryback.**—Generally, a net operating loss must be carried back to each of the 3 tax years before the year of the loss. Special rules apply for any part of a net operating loss attributable to a foreign expropriation loss, a product liability loss, and certain other losses. (See section 172(b) and related regulations for details.)

All adjustments required to compute a net operating loss that may be carried back to any year must be shown on a separate schedule. A copy of page 1 of Form 1120 for the loss year may be attached instead.

**E. Capital Loss Carryback.**—Net capital losses may be carried back 3 years as a short-term capital loss. The net capital loss may be carried back only to the extent it does not increase or produce a net operating loss in the tax year to which it is being carried. For special rules on capital loss carrybacks, see section 1212(a)(4).

Enter on line 2 the amount of capital loss carryback which offsets capital gains. The carryback can not be more than the amount of net capital gains in the year to which carried (determined without regard to the net

capital loss of the loss year or for any later tax year). Attach a computation of the capital gains against which the capital loss carryback is being applied. A copy of Schedule D (Form 1120) for the carryback year may be attached instead.

**F. Carryback of Unused Investment Credit, Unused WIN Credit, Unused Jobs Credit, or Unused Research Credit.**—If a tentative carryback adjustment is claimed based on the carryback of any of these credits, attach (1) a detailed schedule showing the computation of the credit carryback and (2) a recomputation of the credit after application of the carryback. Make the recomputation on the appropriate credit form (or on an attachment which follows the format of such form) for the tax year of the tentative allowance.

If the refund is only from a credit carryback, skip lines 1 through 5 when figuring the decrease in tax on page 1.

**G. Overpayment of Tax Under Section 1341(b)(1).**—If a tentative refund for overpayment of tax under section 1341(b)(1) is filed, enter the overpayment on line 20 and attach a computation showing the information required in regulation section 5.6411-1(d).

**H. Allowance of Adjustment.**—The Internal Revenue Service will act on this application within 90 days from the later of:

(1) The date the application is filed; or

(2) The last day of the month in which falls the due date (including any extension of time granted) for filing the return for the tax year of the net operating loss, net capital loss, or unused credit. (For an overpayment of tax under section 1341(b)(1), 90 days from the date of the overpayment.)

**Additional Information.**—We may need to contact you (or your authorized representative if you have one) for additional information in order to be able to act on your application. If you wish to designate a representative for us to contact (for example your accountant or tax return preparer), please attach a copy of your authorization form to Form 1139. Form 2848, Power of Attorney and Declaration of Representative, or Form 2848-D, Tax Information Authorization and Declaration of Representative, may be used for this purpose.

**I. Disallowance of Application.**—Any application which contains material omissions or computation errors which the Internal Revenue Service deems cannot be corrected within the 90-day period may be disallowed. This application for a tentative carryback adjustment does not constitute a claim for credit or refund.

If this application is disallowed in whole or in part, no suit may be brought in any court for the recovery of that tax. The corporation may, however, file a regular claim for credit or refund on Form 1120X at any time before the expiration of the statute of limitations. See section 6511.

**J. Excess Allowances.**—Any amount applied, credited, or refunded on the basis of this application which is later determined by the Internal Revenue Service to be excessive may be assessed as a deficiency as if it were due to a mathematical or clerical error appearing on the return.