

Corporation Application for Tentative Refund

(See Instruction C for When To File)

OMB No. 1545-0582
Expires 7-31-93

Do Not Attach to Your Income Tax Return—Mail in a Separate Envelope

Name		Employer identification number	
Number, street, and suite or room no. (If a P.O. box, see instructions on page 2.)		Date of incorporation	
City or town, state, and ZIP code		Telephone no. (optional) ()	
1 This application is filed to carry back:	(a) Net operating loss (attach computation) ▶ \$	(c) Unused general business credit (attach computation) ▶	\$
	(b) Net capital loss (attach computation) ▶ \$	(c) Service center where filed	
2 Return for year of loss, unused credit, or overpayment under section 1341(b)(1) . . . ▶	(a) Tax year ended	(b) Date filed	
3 If this application is for an unused credit created by another carryback, enter year of the first carryback ▶			
4 Was a consolidated return filed for any year covered on this application? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," identify the year and enter the name of the common parent and its EIN, if different from above ▶			
5 If Form 1138 has been filed, was an extension of time granted for filing the return for the year of the net operating loss? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," give date to which extension was granted ▶ Give date Form 1138 was filed ▶			
6 If you changed your accounting period, give date permission to change was granted ▶			
7 If this is an application of a dissolved corporation, enter date of dissolution ▶			
8 Have you filed a petition in Tax Court for the year or years to which the carryback is to be applied? <input type="checkbox"/> Yes <input type="checkbox"/> No			
9 Does this carryback include a loss or credit from a tax shelter required to be registered? If "Yes," attach Form(s) 8271. <input type="checkbox"/> Yes <input type="checkbox"/> No			

Computation of Decrease in Tax	3rd preceding tax year ended ▶		2nd preceding tax year ended ▶		1st preceding tax year ended ▶	
	(a) Before carryback	(b) After carryback	(c) Before carryback	(d) After carryback	(e) Before carryback	(f) After carryback
Note: If no entry in 1(a) or (b), skip lines 10–14.						
10 Taxable income from tax return						
11 Capital loss carryback (see instructions)						
12 Subtract line 11 from line 10						
13 Net operating loss deduction after carryback						
14 Taxable income (subtract line 13 from line 12)						
15 Income tax						
16 General business credit (attach schedules)						
17 Other credits (identify)						
18 Total credits (add lines 16 and 17)						
19 Subtract line 18 from line 15						
20 Personal holding company tax (Sch. PH 1120)						
21 Recapture taxes						
22 Minimum, alternative minimum, and/or environmental tax						
23 Total tax liability (add lines 19 through 22)						
24 Recomputed tax liability (see instructions)						
25 Decrease in tax (subtract line 24 from line 23)						
26 Overpayment of tax due to a claim of right adjustment under section 1341(b)(1)—attach computation ▶						

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

Date Signature of officer Title

Preparer other than taxpayer (name and address) ▶ Date ▶

Instructions

(Section references are to the Internal Revenue Code unless otherwise noted.)
Paperwork Reduction Act Notice.—We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us this information. 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.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:
Recordkeeping 24 hrs., 52 min.
Learning about the law or the form 3 hrs., 14 min.
Preparing the form 8 hrs., 26 min.
Copying, assembling, and sending the form to IRS 1 hr., 20 min.
 If you have comments concerning the accuracy of these time estimates or

suggestions for making this form more simple, we would be happy to hear from you. You can write to both the **Internal Revenue Service**, Washington, DC 20224, Attention: IRS Reports Clearance Officer, T:FP; and the **Office of Management and Budget**, Paperwork Reduction Project (1545-0582), Washington, DC 20503. **DO NOT** send the tax form to either of these offices. Instead, see the instructions on the next page for information on where to file.

A. Purpose of Form.—C corporations (defined in section 1361(a)(2)), use Form 1139 to apply for:

- A quick refund of taxes from carryback of a net operating loss (NOL), net capital loss, or unused general business credit.
- A quick refund of taxes from an overpayment of tax due to a claim of right adjustment under section 1341(b)(1).

If your refund for any carryback year is \$1 million or more, you may elect to have your refund wired to your financial institution by completing and attaching Form 8302, Application for Electronic Funds Transfer of Tax Refund of \$1 Million or More, to Form 1139.

B. Attachments.—Form 1139 will not be processed if any of the following conditions apply: (1) the required forms (listed below) are not attached; (2) the questions on page 1 are not answered; (3) material information is missing from the form, or (4) the form contains math errors that cannot be corrected within the 90-day period discussed below. Attach copies of the following forms if applicable:

- If the loss or unused credit is from a tax shelter, attach all Forms 8271, Investor Reporting of Tax Shelter Registration Number, for the year of the loss or unused credit.
- Forms or schedules (e.g. Schedule D (Form 1120), Form 3468, etc.) for items refigured in the carryback years.

C. When and Where To File.—File Form 1139 within one year from the end of the tax year in which the NOL, net capital loss, unused credit, or claim of right adjustment occurred but not before you file your income tax return for that year.

File Form 1139 with the Internal Revenue Service Center where the corporation files its income tax return. Do not mail with your income tax return.

If Form 1138, Extension of Time for Payment of Taxes by a Corporation Expecting a Net Operating Loss Carryback, was filed and you want a further extension of time to pay, file Form 1139. File it by the last day of the month in which the due date for filing the return falls (including extensions granted) for the tax year of the NOL from which the carryback results.

D. IRS Actions.—IRS will act on this application within 90 days from the later of the date the completed application is filed or the last day of the month the income tax return for the tax year of the NOL, net capital loss, or unused credit is due (including extensions) (90 days from the date of the overpayment in the case of an overpayment of tax under section 1341(b)(1)).

IRS may need to contact the corporation or its authorized representative for more information so we can act on your application. To designate an attorney or a representative, attach Form 2848, Power of Attorney and Declaration of Representative, to Form 1139.

A tentative carryback adjustment is not a claim for credit or refund. It may be disallowed if there are material omissions or math errors that cannot be corrected within the 90-day period. If any part of the tax is disallowed, no suit may be brought in any court for the recovery of that tax. However, a regular claim for credit or refund may be filed at any time before the limitation period expires. See the instructions for Form 1120X.

Any amount applied, credited, or refunded based on this application that IRS later

determines to be excessive may be billed as if it were due to a math or clerical error on the return.

In addition, the accuracy related penalty or the fraud penalty may be assessed. See sections 6662 and 6663. Interest is also charged on amounts erroneously refunded, credited, or applied.

E. Adjustments to NOL.—In a tax year in which the net operating loss occurs the following adjustments must be made: **a.** the net operating loss deduction is not allowed; **b.** the dividends-received deduction is not allowed for dividends from domestic or foreign corporations or the dividends on the preferred stock of a public utility; and **c.** the dividends-paid deduction for dividends of a public utility is not allowed.

F. Release of Credits.—When an NOL, net capital loss, or credit carryback eliminates or reduces another credit in an earlier tax year, you may be able to carryback the released credit 3 more years. Use a separate Form 1139 for the earlier year(s). To expedite the processing of Form 1139, file both Forms 1139 at the same time. See the instructions for the credit forms for additional information on credit carrybacks. Also see section 39 and the regulations under section 6411.

G. Form 1120X.—You may get a refund by filing Form 1120X instead of Form 1139. Generally, you must file Form 1120X within 3 years after the later of the due date of the return for the tax year of the NOL, net capital loss, or unused credit or the date you filed your income tax return for that year.

If you use Form 1120X, attach a computation of your NOL, or page 1 of Form 1120, for the loss year. Complete a separate Form 1120X for each year you request an adjustment.

Line-by-Line Instructions

Address.—Include the suite, room, or other unit number after the street address. If the Post Office does not deliver mail to the street address and the corporation has a P.O. box number, enter the P.O. box number instead of the street address.

Line 1(a).—A corporation may carry back an NOL to each of the 3 years before the loss year and carry any remaining loss forward to each of the 15 years following the loss year.

A corporation may elect to carry forward an NOL only to each of the 15 years following the year of the loss. To make this election, a corporation must attach a statement making this election to its timely filed return (including extensions) for the year of the NOL. This election is irrevocable.

Special rules apply for any part of an NOL related to a foreign expropriation loss, a product liability loss, and certain other losses. See section 172(b) and the related regulations.

Show on a separate attachment all adjustments required to figure a net operating loss that may be carried back to any year. You may instead attach a copy of page 1 of Form 1120 for the loss year.

Line 1(b). Capital loss carryback.—You may carry a net capital loss back 3 years and treat it as a short-term capital loss in the carryback year. You may carry the net capital loss back only to the extent it does not increase or produce an NOL in the tax year to which it is carried. For special rules for capital loss carrybacks, see section 1212(a)(3).

Line 1(c). Carryback of unused general business credit.—If you claim a tentative

refund based on the carryback of this credit, attach a detailed computation showing how you figured the credit carryback, and a recomputation of the credit after the carryback is applied. Make the recomputation on the appropriate credit form, or on an attachment that follows the format of the form for the tax year of the tentative allowance.

Line 4.—If Form 1139 is filed to carry back a loss or unused credit to a year in which the corporation joined in the filing of a consolidated return, IRS is required to send the refund for that year directly to, and in the name of, the common parent. See Regulations section 1.1502-78(a) and (b).

Lines 10 through 23.—Enter in columns (a), (c), and (e) the amount for the applicable carryback year as shown on your original or amended return or per IRS audit. Use the amounts on the amended return even if the IRS has not acted on it. Also attach a copy of the amended return to Form 1139 and write "Attachment to Form 1139" across the top. If the return was examined, enter the amounts determined as a result of the examination.

When completing lines 15 through 23, take into account any write-in amounts that may have appeared on the original return. For example, if Form 1120, Schedule J, line 10 was increased by interest on tax attributable to a payment received on a timeshare or residential lot, include that amount on line 23.

Columnar Instructions.—The following instructions apply to columns (b), (d), and (f).

Line 10.—Enter in columns (b), (d), and (f) the amount from columns (a), (c), and (e), respectively.

Line 11.—Enter the capital loss carryback but not more than capital gain net income. Capital gain net income is figured without regard to the capital loss carryback of the loss year or any later year. Attach a computation of capital gain net income or attach a copy of Schedule D (Form 1120) for the carryback year. Enter the amount of the capital loss carryback as a positive number on line 11.

Line 15.—Enter the refigured income tax after taking into account the carryback(s). See the instructions for Form 1120 for the applicable year for more details on how to figure the tax and attach a detailed computation of the refigured tax.

If the capital gain alternative tax applies, see Schedule D (Form 1120) instructions for the applicable year. Also attach a detailed computation of the refigured capital gains alternative tax and write "Sch. D" in each applicable column.

Take into account section 1561 when refiguring the income tax.

Line 16.—Enter the total of the corrected general business credits. Attach all forms used to redetermine the amount of general business credit.

Line 22.—Refigure your minimum tax (as in effect before TRA of 1986) or alternative minimum tax and/or environmental tax. Complete and attach Form 4626 for the appropriate year.

Line 24.—Enter on line 24, columns (a), (c), and (e) the amount from line 23, columns (b), (d), and (f), respectively.

Line 26. Overpayment of tax under section 1341(b)(1).—If you are filing a tentative refund for overpayment of tax under section 1341(b)(1), enter the overpayment on this line and attach a computation showing the information required by Temporary Regulations section 5.6411-1(d).