# Georgia Form 500-NOL
## Net Operating Loss Adjustment
For Individuals and Fiduciaries (Rev. 12/31/20)

## Page 1

### ATTACH A COMPLETE COPY OF YOUR FEDERAL RETURN FOR THE LOSS YEAR

<table>
<thead>
<tr>
<th>YOUR FIRST NAME</th>
<th>MI</th>
<th>LAST NAME</th>
<th>SUFFIX</th>
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<tbody>
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<table>
<thead>
<tr>
<th>SPOUSE’S FIRST NAME</th>
<th>MI</th>
<th>LAST NAME</th>
<th>SUFFIX</th>
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<thead>
<tr>
<th>ADDRESS (NUMBER AND STREET or P.O. BOX) (Use 2nd address line for Apt, Suite or Building Number)</th>
<th>CHECK IF ADDRESS CHANGED</th>
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<tbody>
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<table>
<thead>
<tr>
<th>CITY</th>
<th>STATE</th>
<th>ZIP CODE</th>
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(COUNTRY IF FOREIGN)

TAXABLE YEAR OF NET OPERATING LOSS: CALENDAR YEAR ________________:

OR OTHER YEAR BEGINNING ________________ AND ENDING ________________

NET OPERATING LOSS: $ ________________

### PLEASE ATTACH A COPY OF YOUR FEDERAL APPLICATION FOR NOL ADJUSTMENT, PART YEAR AND NONRESIDENTS SEE INSTRUCTIONS ON PAGE 4.

**TYPE OF LOSS:**
- NORMAL
- CASUALTY LOSS
- FARM LOSS
- FARM LOSS
- OTHER

**PORTION:**
- (2) YEAR $ ________________
- (3) YEAR $ ________________
- (2) YEAR $ ________________
- (5) YEAR $ ________________
- (EXPLAIN IN ATTACHMENT) $ ________________

IS THE LOSS ONLY BEING CARRIED FORWARD? YES ☐ NO ☐ Form 500-NOL is still required, see instructions.
<table>
<thead>
<tr>
<th>TAX YEAR:</th>
<th>PRECEDING TAX YEAR ENDED</th>
<th>PRECEDING TAX YEAR ENDED</th>
<th>PRECEDING TAX YEAR ENDED</th>
</tr>
</thead>
<tbody>
<tr>
<td>RESIDENCY STATUS</td>
<td>FILING STATUS</td>
<td>Computation of overpayments</td>
<td>(a) Return as filed or liability as last determined</td>
</tr>
<tr>
<td>1. Federal adjusted gross income (exclude Federal NOL)</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>2. Georgia adjustments. See Page 5 of the instructions</td>
<td></td>
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</tr>
<tr>
<td>3. Net operating loss. See Page 5 for 80% rule and other instructions</td>
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<tr>
<td>4. Georgia adjusted gross income Net total of Lines 1, 2 and 3.</td>
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<tr>
<td>5. Deductions. See Page 5 of the instructions.</td>
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<tr>
<td>6. Subtract Line 5 from Line 4</td>
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<tr>
<td>7. Exemptions. See Page 5 of instructions.</td>
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<tr>
<td>9. Income Tax</td>
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<tr>
<td>10. Credits. See Page 5 of the instructions.</td>
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<tr>
<td>12. Enter Line 11 column (b) (d) (f), respectively.</td>
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Under penalty of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

**Taxpayer’s Signature**

**Date**

**Taxpayer’s Phone Number**

By providing my e-mail address I am authorizing the Georgia Department of Revenue to electronically notify me at the below e-mail address regarding any updates to my account(s).

**Taxpayer’s E-mail Address**

**Signature of Preparer Other Than Taxpayer**

**Preparer’s Phone Number**

**Name of Preparer Other Than Taxpayer**

**Preparer’s FEIN**

**Preparer’s Firm Name**

**Preparer’s SSN/PTIN/SIDN**
## Georgia Form 500-NOL
### COMPUTATION OF NET OPERATING LOSS - LOSS YEAR

#### Page 3

**PART YEAR AND NONRESIDENTS, SEE INSTRUCTIONS ON PAGE 4**

1. Adjusted gross income, Line 8, Page 2 of form 500 .................................................................
2. Line 9 adjustments .....................................................................................................................
3. Deductions (Applies to individuals only) ...................................................................................
   a. Enter amount of your Standard or Itemized Deductions, Line 11c or Line 12 of form 500. ....
   b. Personal exemption, Line 14c of form 500. ........................................................................
4. Total (Lines 3a and 3b) ...........................................................................................................
5. Taxable income. Total of Line 1 and Line 2 less Line 4 ................................................................
6. Exemptions claimed, Line 14c of form 500 ...........................................................................
7. Nonbusiness capital losses before limitation. Enter as a positive number ............................
8. Total nonbusiness capital gains (without regard to any I.R.C section 1202 exclusion) .......
9. If Line 7 is more than Line 8, enter the difference; otherwise, enter -0- ...............................
10. If Line 8 is more than Line 7, enter the difference; otherwise, enter -0- .............................
11. Enter either your standard deduction or itemized deductions less casualty, 2106 deductions, and state and local income taxes .............................................................
12. Contributions to a self-employed pension plan or Keogh ....................................................... 12.
15. Contribution to an IRA ........................................................................................................... 15.
16. Other (specify) ......................................................................................................................... 16.
17. Total nonbusiness deductions (Lines 11 through 16) ............................................................ 17.
18. Dividend income .................................................................................................................... 18.
19. Interest income ...................................................................................................................... 19.
21. GA adjustment for retirement exclusion, U.S. interest, non-Georgia municipal interest, etc (See Page 4)................................................................. 21.
22. Other (specify) ......................................................................................................................... 22.
23. Total nonbusiness income other than capital gains (Lines 18 through 22) ....................... 23.
24. Add Lines 10 and 23 ...............................................................................................................
25. If Line 17 is more than Line 24, enter the difference; otherwise enter -0- ............................
26. If Line 24 is more than Line 17, enter the difference; otherwise enter -0- ............................
   Do not enter more than Line 10 ................................................................................................
27. Total business capital losses before limitation. Enter as a positive number ........................ 27.
30. If Line 27 is more than Line 29, enter the difference; otherwise enter -0- ............................ 30.
32. Enter your net capital loss before the $3,000 federal limitation, if any. Enter as a positive number. If you do not have this loss (and do not have an I.R.C. section 1202 exclusion) skip Lines 32 through 37 and enter on Line 38 the amount from Line 31 .......................................................................................................................... 32.
33. I.R.C. section 1202 exclusion (50% exclusion for gain from certain small business stock). Enter as a positive number. ........................................................................................................ 33.
34. Subtract Line 33 from Line 32. If zero or less enter -0- .......................................................... 34.
35. Enter your net capital loss after the $3,000 Federal limitation. Enter as a positive number .... 35.
36. If Line 34 is more than Line 35, enter the difference; otherwise enter -0- ............................ 36.
37. If Line 35 is more than Line 34, enter the difference; otherwise enter -0- ............................
38. Subtract Line 36 from Line 31. If zero or less, enter -0- ........................................................... 38.
39. Previous net operating loss claimed. Enter as a positive number ........................................ 39.
40. Add Lines 6, 25, 37, 38, 39 ..................................................................................................... 40.
41. Loss amount. Combine Lines 5 and 40. If the result is less than zero, enter it here. If the loss is being carried back to a part year or nonresident return, see instructions on Page 4. If the result is zero or more, you do not have a normal net operating loss. ................................................................................................................................. 41.
42. IRC Section 461(f) loss eligible to be carried forward only (enter as negative) ................. 42.
43. Total Net Operating Loss. Combine Lines 41 (if Line 41 is a negative) and Line 42. Enter on Page 1 ................................................................................................................................................................................................. 43.
NET OPERATING LOSS CARRYOVER

Complete if applicable. See page 5 for instructions.

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

1. Net operating loss deduction
2. Taxable income before N.O.L. carryback
3. Net capital loss deduction. Enter as a positive number
4. I.R.C. section 1202 exclusion. Enter as a positive number
5. Adjustments to adjusted gross income
6. Adjustments to itemized deductions
7. Exemptions
8. Modified taxable income. Combine Lines 2 through 7. If zero or less, enter -0-
9. Net operating loss carryover. Line 1 less Line 8. If zero or less, enter -0-

<table>
<thead>
<tr>
<th>YEAR ENDED</th>
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PART YEAR AND NONRESIDENTS

Complete if applicable.

Year________ Use a separate schedule for all applicable years.

   See instructions below
2. Georgia NOL. See instructions below
3. Adjusted AGI for NOL purposes
4. Percentage. Line 3, column C divided by column A.
   See instructions below
5. Itemized or standard deduction. See instructions below
6. Personal exemptions
7. Total deductions and exemptions; add Lines 5 & 6
8. Line 4 percentage times Line 7
9. Adjusted taxable income, column C, Line 3 less Line 8, enter here and on taxable income Line 8 of Page 2

Part Year and Nonresident schedule instructions. (Use if carrying the loss to a part year or nonresident return regardless of whether the loss year is a part year or nonresident return.)

1. Lines 1 and 5, enter the amounts, after the adjustments that are required by I.R.C. Section 172 if any apply, for the year the loss is being carried to.
2. Line 2 column A and C, enter loss from Page 3, Line 41 or from Page 4, Line 9 of the net operating loss carryover schedule.
3. Line 4, if Georgia AGI is zero or negative, the percentage is zero. If the adjusted Federal AGI is zero or negative, the Line 4 percentage is considered to be 100%. This also applies if both adjusted Federal AGI and Georgia AGI are zero or negative. In this case, the taxpayer is entitled to the full exemption amount and deductions.

Additional instructions for part year and nonresidents.

1. 500-NOL Page 2. Lines 1 through 7 should not be completed for any years for which a part year or nonresident return was filed. Instead the part year and nonresident schedule above should be completed.
2. 500-NOL Page 3 must be completed. If the loss year is a part year or nonresident year for Lines 3a, 3b, 6, and 11, compute the amount and then multiply it by the percentage of Georgia AGI to adjusted Federal AGI on schedule 3 of the loss year return. For example, if you have one exemption, multiply $2,700 by the percentage on schedule 3 of the loss year return. The other Lines on Page 3 that pertain to Georgia source income should also be filled in.
3. 500-NOL Page 4. net operating loss carryover schedule. If any years on this schedule are part year or nonresident years, for Lines 6 and 7, compute the amount and then multiply it by the percentage on Line 4 of the part year and nonresident schedule. For example, if you have one exemption, multiply $2,700 by the percentage on Line 4 of the above schedule. The other Lines on the net operating loss carryover schedule that pertain to Georgia source income should also be filled in.
General Instructions
A net operating loss carryback adjustment may be filed on this form by an individual or fiduciary taxpayer that desires a refund of taxes afforded by carryback of a net operating loss. This form must be filed no later than 3 years from the due date of the loss year income tax return, including any extensions which have been granted. Form 500X should not be used to carryback a NOL Form 500-NOL must also be filed by the due date (including extensions) of the loss year return, when the taxpayer only carries the loss forward. This is necessary so the NOL can be established in the Department’s system. Page 2 carryback schedule should be left blank.

Generally a net operating loss must be carried back (if applicable) and forward in the procedural sequence of taxable periods provided by Section 172 of the Internal Revenue Code of 1986, as defined in Code Section 48-1-2. For taxable years ending on or before December 31, 2017, generally the carryback period is 2 years (with special rules for farmers (5 years), casualty losses (3 years); specified liability loss (10 years), small business loss attributable to federally declared disasters (3 years); etc.) For losses incurred in taxable years ending after December 31, 2017, there is no carryback (with a 2 year carryback for farmers) and unlimited carryover. Also, Georgia does not follow the following federal provisions:

- Special carryback rules enacted in 2009.
- Special rules relating to Gulf Opportunity Zone public utility casualty losses, I.R.C. Section 1400N(j).
- 5 year carryback of NOLs attributable to Gulf Opportunity Zone losses, I.R.C. Section 1400N(k).
- 5 year carryback of NOLs incurred in the Kansas disaster area after May 3, 2007, I.R.C. Section 1400N(k).
- 5 year carryback of certain disaster losses, I.R.C. Sections 172(b)(1)(J) and 172(i).
- The election to deduct public utility property losses attributable to May 4, 2007 Kansas storms and tornadoes in the fifth tax year before the year of the loss, I.R.C. Section 1400N(o).

For losses incurred in taxable years beginning on or after January 1, 2018, the net operating loss cannot offset more than 80% of Georgia taxable net income. Within 90 days from the last day of the month in which this form is filed, the Commissioner of Revenue shall make a limited examination of the form and disallow without further action any form containing errors of computation not correctable within such 90-day period or having material omissions. A decrease of tax determined for prior year tax will first be credited against any unpaid tax and any remaining balance will be refunded to the taxpayer without interest within the 90-day period.

*Note: This form shall constitute a claim for credit or refund. If the commissioner should determine that the amount credited or refunded by an application is in excess of the amount properly attributable to the carryback period, with respect to which such amount was credited or refunded, the commissioner may assess the amount of the excess as a deficiency as if it were due to a mathematical error appearing on the face of the return.

What to attach:
2. Copy of Federal return for the loss year that includes pages 1 and 2, schedules 1, A, D, and E.
3. Copy of Federal returns for the carryback years that includes pages 1 and 2, Schedule 1 and Schedule A and any schedules that were recalculated in carryback year.
4. Copy of Georgia returns for the carryback or carryforward years
5. Copy of Georgia form 500 for the loss year.

Be sure to attach all required forms listed above and complete all lines of the Form 500-NOL that apply. Otherwise your application may be disallowed.

The carryback period may be foregone and the NOL carried forward. Election: A taxpayer is bound by the Federal election to forego the carryback period. A copy of this election should be attached to the Georgia return. If there is a Georgia NOL but no Federal NOL, the taxpayer may make an election for Georgia purposes only under the same rules and restrictions as the Federal election. The Form 500-NOL should be filed even when the carryback period is foregone.

Example: A taxpayer has a large Net Operating Loss in 1998 (both Federal and Georgia). With his timely filed Federal return, he includes a statement that he elects to forgo the carryback period. He must therefore carry his Georgia (as well as his Federal) NOL forward without first carrying it back. Any portion not absorbed after 20 years is lost.

Page 2 Instructions
Columns a, c, and e.
Enter the amounts from your original return or as previously adjusted by you or the Department of Revenue.

Columns b, d, and f.
1. Enter as a positive number the gains that are required by I.R.C. Section 172, if any.
2. Enter as a positive number the gains that are required by I.R.C. Section 172, if any.
3. Enter as a positive number the amount from line 9 (if it is a positive amount) on line 3 in column (d) for 2012.
4. Enter as a positive number the amount from line 9 (if it is a positive amount) on line 3 in column (d) for 2012.
5. Enter as a positive number the gain excluded under I.R.C. Section 172, if any.
6. Enter as a positive number the gain excluded under I.R.C. Section 172, if any.
7. Enter the amount from line 9 (if it is a positive amount) on line 3 in column (d) for 2012.
8. Enter the amount from line 9 (if it is a positive amount) on line 3 in column (d) for 2012.
9. Enter the amount from line 9 (if it is a positive amount) on line 3 in column (d) for 2012.
10. Enter the amount from line 9 (if it is a positive amount) on line 3 in column (d) for 2012.

Page 3 Instructions
A Georgia Net Operating Loss (NOL) must be computed separately from any Federal NOL. It is possible to have a Federal NOL, but not a Georgia NOL.

Line 21. In computing a Georgia NOL only Georgia amounts can be used. Interest on U.S. savings bonds should be entered as a negative number on this line. Non-Governmental interest should be entered as a positive number on this line. The nonbusiness portion of the retirement exclusion should be entered as a negative number on this line. This should be computed as follows. The total nonbusiness income (as it is defined for NOL purposes) that is included in the retirement exclusion should be divided by the total income that is included in the retirement exclusion. This percentage should then be multiplied by the retirement exclusion. For example, if the taxpayer has $8,000 in wages and $20,000 in interest income, the taxpayer would divide $28,000 by $20,000 and then multiply this by the retirement exclusion amount. When computing the percentage, the following guidelines should be followed:

1. If the total nonbusiness income that is included in the retirement exclusion is zero or less than zero, the percentage is zero. This would apply even if the total income that is included in the retirement exclusion is zero or less than zero.
2. If the total nonbusiness income that is included in the retirement exclusion is greater than zero and exceeds the total income that is included in the retirement exclusion, the percentage is 100%. This would apply even if the total income that is included in the retirement exclusion is zero or less than zero.

Page 4 Instructions
Net Operating Loss Carryover
1. A Georgia Net Operating Loss (NOL) carryover must be computed separately from any Federal NOL carryover. It is possible to have a Federal NOL carryover but not a Georgia NOL carryover.
2. Line 3, enter as a positive number the adjustment as required by I.R.C. Section 172, if it applies.
3. Line 4, enter as a positive number the gain excluded under I.R.C. section 1202 on the sale or exchange of qualified small business stock, if it applies.
4. Lines 5 and 6, enter the adjustments that are required by I.R.C. Section 172, if any.
5. Line 9, if the 80% limitation applied to the year the loss was carried to, an additional adjustment must be made before entering the loss on either the carryover year on page 2 or the carryover year after the loss year. After computing the amount on line 9, add the difference between the taxable income before NOL carryback on line 2 and the NOL actually used considering the 80% limitation. For example, if the taxpayer has a 2019 NOL of 200,000. The taxpayer’s income in 2020 is 100,000 (they used 80,000 of the NOL after considering the 80% rule) and that $100,000 is entered on line 2 of the schedule at the top of page 4. For simplicity sake assume the only adjustment that is required on the top of page 4 are exemptions of 7,400 and that is entered on line 7. Therefore the modified taxable income on line 8 is 107,400. Subtracting the $107,400 from the 200,000 results in 92,600 being entered on line 9. The difference of the 100,000 line 2 amount and the 80,000 is 20,000. This would be added to the 92,600 and therefore 112,600 is available to be carried to 2021.
Please note that the amount from line 9 of the year directly preceding the loss year is the amount (if any) that can be carried to the year after the loss year (carryover year). The same adjustments from this schedule must be made to each year in the carryover period to determine the amount that is available to be carried to the next carryover year. For example, a taxpayer has a loss from 2013 which has a two year carryback period. The loss is carried back to 2011 and 2012 on page 2 but not all of the loss is utilized. The taxpayer makes the adjustments as required to 2011 and 2012 in the Net Operating Loss Carryover schedule at the top of page 4. After computing the amount for 2012 there is a positive amount on line 9 of the 2012 column. This amount can be carried to 2014 and the amount used in 2014 should be listed on the 2014 return not on Form 500-NOL. If not all of the loss is utilized in 2014, the taxpayer should make the same adjustments to 2014 as are listed in the Net Operating Loss Carryover schedule on page 4 to determine if any loss is available to be carried to 2015. A schedule showing this should be attached to the 2014 return and should not be listed on the Form 500-NOL.

If the loss was carried to a part year or nonresident return, on line 2 of the carryover schedule enter the amount from line 14 schedule 3 of Form 500 for the year it was carried to. For lines 3, 4, and 5, enter amount if related to Georgia Income. For lines 6 and 7, multiply the amount by the ratio on line 9, schedule 3 of Form 500 for the year the loss was carried to.

Part Year and Nonresident Instructions. See instructions on page 4.