

Net Operating Loss Example

tax year	2014	2015	2016	2017	2018
filed on	8/16/2015*	4/16/2016	4/16/2017	4/15/2018	4/16/2019
valid extension	yes	N/a	N/a	N/a	N/a
Net Income	\$10,000.00	\$15,000.00	\$10,000.00	\$35,000.00	\$45,000.00

NOL available from 2011	(\$45,000.00)	(\$35,000.00)	(\$24,200.00)	(\$17,000.00)	(\$17,000.00)
NOL available from 2012	(\$15,000.00)	(\$15,000.00)	(\$15,000.00)	(\$15,000.00)	(\$9,800.00)
NOL available from 2013	(\$20,000.00)	(\$20,000.00)	(\$20,000.00)	(\$20,000.00)	\$ -
1/3 from Act 123	n/a	n/a	n/a	(\$934.00)	(\$934.00)
Total NOL available	(\$80,000.00)	(\$70,000.00)	(\$59,200.00)	(\$52,934.00)	(\$27,734.00)

28% reduction that can be recovered	\$2,800.00				
72% on net income	\$7,200.00	\$10,800.00	\$7,200.00	\$25,200.00	\$32,400.00
72% of available NOL	\$57,600.00	\$50,400.00	\$42,624.00	\$38,112.00	\$19,968.00
limitation on NOL	\$7,200.00	\$10,800.00	\$7,200.00	\$25,200.00	\$19,968.00
NOL that can be used from 2011	\$7,200 *	\$10,800.00	\$7,200.00		\$10,168.00
NOL that can be used from 2012				\$5,200.00	\$9,800.00
NOL that can be used from 2013				\$20,000.00	
NOL Recovery that can be used				\$934.00	\$934.00
total NOL that can be used	\$7,200.00	\$10,800.00	\$7,200.00	\$26,134.00	\$20,902.00

*for tracking purposes, you must reduce CF by \$10,000