



2025 NOL, Net Operating Loss Deduction

Combined Income Return Filers: Complete a separate Schedule NOL for each corporation that is carrying forward a net operating loss (NOL).

Name of Corporation FEIN Minnesota Tax ID Number

Year	Taxable Net Income/Loss	Minnesota Losses Used	Losses Remaining
Oldest Loss Year			
Subsequent Year 1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
2025 Summary:		Net Operating Loss Deduction	Total Losses Remaining (to be carried forward)

Enter on Form M4T, line 6

2025 Schedule NOL Instructions

The purpose of this form is to show the sources and applications of net operating losses. Only the years used to calculate the net operating loss, and the years the losses are used, need to be listed.

Your net operating loss deduction is limited to 70% (.70) of your taxable net income for the year.

Net operating losses may be carried forward only. The carryforward period is 15 years. If your return covers less than 12 months, it is considered a full taxable year for NOL carryforward purposes.

A net operating loss incurred in a prior year and not previously used to offset net income may be deducted on Form M4T, line 6.

Corporations whose business is conducted entirely in Minnesota may deduct the full amount of any previously unused net operating loss after the 70% limit is applied.

Corporations that apportion their income to Minnesota may deduct any previously unused net operating loss at the apportionment percentage of the loss year.

Corporations may not create or increase the net operating loss by:

- The deduction for dividends received, Form M4T, line 8
- The foreign royalties subtraction for tax years beginning before 2013

Minnesota net operating loss limitations on use:

- For tax years beginning before January 1, 2018, the Minnesota Losses Used is limited to 100% of the Taxable Net Income amount.
- For tax years beginning after December 31, 2017, and before January 1, 2024, the Minnesota Losses Used is limited to 80% of the Taxable Net Income amount.
- For tax years beginning after December 31, 2023, the Minnesota Losses Used is limited to 70% of the Taxable Net Income amount.

Acquired net operating losses are subject to limitation as determined under Internal Revenue Code section 382(g).

To complete the worksheet:

- Enter your taxable net income or loss for the year in the *Taxable Net Income/Loss* column. If your return was amended or adjusted, use the most recent amounts for that year.
- If the amount is a loss, add it to the total in the previous year's *Losses Remaining* column and enter the sum in the *Losses Remaining* column.
- If the amount is income, and losses from previous years are being used to reduce that income, enter the amount of loss being used to reduce the income in the Minnesota Losses Used column. The amount of loss being used in each year is limited to 70% (.70) of the taxable net income for the year.

Complete Schedule NOL and attach a copy with your Minnesota tax return.

A separate Schedule NOL is required for each corporation in a unitary group that is claiming a net operating loss deduction.

Example:

Year	Taxable Net Income/Loss	Minnesota Losses Used	Losses Remaining
Oldest Loss Year			
12/31/16	(18,000)	-----	(18,000)
Subsequent Year 1			
12/31/17	4,000	(4,000)	(14,000)
2			
12/31/18	5,000	(4,000)	(10,000)
3			
12/31/19	6,000	(4,800)	(5,200)
4			
12/31/20	(8,000)	-----	(13,200)
5			
12/31/21	10,000	(8,000)	(5,200)
6			
12/31/22	(9,000)	-----	(14,200)
7			
12/31/23	(7,000)	-----	(21,200)
8			
12/31/24	10,000	(7,000)	(14,200)
9			
12/31/25	4,000	(2,800)	(11,400)
		Net Operating Loss Deduction (2,800)	Total Losses Remaining (to be carried forward) (11,400)

2025 Summary: Enter on Form M4T, line 6