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MISSOURI DEPARTMENT OF REVENUE

NET OPERATING LOSS ADDITION MODIFICATION WORKSHEET

FORM **MO-5090** (05-2009)

Attachment Sequence No. 1120-08

CORPORATION NAME	MO TAX I.D. NUMBER	CHARTER NUMBER	FEDERAL I.D. NUMBER

Complete this worksheet to compute the net operating loss addition modification, pursuant to Section 143.431.4, RSMo. See back for instructions. Use Form MO-5090, Net Operating Loss Addition Modification Worksheet if the corporation reported a net operating loss deduction on Federal Form 1120, Line 29a or on Federal Form 1139 or Federal Form 1120X for carryback years **and** in the year of the initial loss, used the loss to offset Missouri net positive additions. If not, there is no net operating loss modification to compute. If yes, then compute the net operating loss modification worksheet. If the NOL deduction is the sum of multiple years, you must complete a Form MO-5090 for each loss year.

YEAR OF LOSS	YEAR OF MODIFICATION

	Column 1	Column 2	Column 3	Column 4
1. Net operating loss deduction used in the current year. (Enter as a positive amount.)				
2a. State tax addback				
2b. State and local bond interest (except Missouri)				
2c. Fiduciary and partnership adjustment				
2d. Missouri depreciation basis adjustment (Section 143.121.2(3), RSMo)				
2e. Donations claimed for the Food Pantry Tax Credit				
3. All required additions to federal taxable income, except for the net operating loss modification: add Lines 2a, 2b, 2c, 2d, and 2e				
4a. Interest on U.S. Government obligations				
4b. Federally taxable — Missouri exempt obligations				
4c. Reduction in gain due to basis difference (See 12 CSR 10-2.020 and Section 143.121.3(2), RSMo)				
4d. Previously taxed income				
4e. Amount of any state income tax refund included in federal taxable income				
4f. Capital gain exclusion from the sale of low income housing project				
4g. Fiduciary and partnership adjustment				
4h. Missouri depreciation basis adjustment (Section 143.121.3(7), RSMo)				
4i. Net operating loss carryback previously disallowed for Missouri (Section 143.121.2(4), RSMo)				
4j. Depreciation recovery on qualified property that is sold (Section 143.121.3(9), RSMo)				
5. All required subtractions from federal taxable income: add Lines 4a through 4j				
6. Net addition modification (but not less than zero): Line 3 less Line 5				
7. Total net operating loss from the Loss Year _____ (Enter as a positive amount.)				
8. Net operating loss deductions utilized in all prior years. (Enter as a positive amount.)				
9. Cumulative sum: Line 1 plus Line 8				
10. Sum: Line 6 plus Line 9				
11. Amount: Line 10 less Line 7 (but not less than zero)				
12. Net operating loss modification: lesser of Line 1 or Line 11. Enter the amount here and on Form MO-1120, Part 1, Line 3.				

This form is available upon request in alternative accessible format(s).

INSTRUCTIONS

Use Form MO-5090, Net Operating Loss Addition Modification Worksheet if the corporation reported a net operating loss deduction on Federal Form 1120, Line 29a, Federal Form 1139, or Federal Form 1120X for carryback years **and** in the year of the initial loss, used the loss to offset Missouri net positive additions. If not, there is no net operating loss modification. If yes, then compute the net operating loss addition modification worksheet. If the NOL deduction is the sum of multiple years, you must complete a Form MO-5090 for each loss year.

1. Enter on Line 1, Columns 1 and 4, the amount of the net operating loss **deduction** attributable to the loss year from Federal Form 1120, Line 29a of the carryover year or from Federal Form 1139 or Federal Form 1120X for carryback years. This is the amount of the deduction utilized in the current year.
2. Enter on Lines 2a through 2e all required additions **from the loss year** to federal taxable income, except for the net operating loss modification.
3. Add Lines 2a through 2d and enter the total on Line 3 to compute all required additions from the loss year to federal taxable income.
4. Enter on Lines 4a through 4j all required subtractions from federal taxable income from the loss year.
5. Add Lines 4a through 4j and enter the total on Line 5 to compute all required subtractions from the loss year from federal taxable income.
6. Subtract Line 5 from Line 3 and enter on Line 6 (but not less than zero). This will give you the net addition modification, as the amount that all required additions exceeds all required subtractions.
7. Enter the total amount of the net operating loss from Federal Form 1120, Line 30 of the **loss year** in Column 3 and enter the tax year of the net operating loss in the blank provided.
8. Enter the amount of the net operating loss deduction utilized in prior years from Federal Form 1120, Line 29a from all prior carryover years of this loss year or from Federal Form 1139 or Federal Form 1120X from the carryback years.
9. Add Lines 1 and 8 and enter on Line 9
10. Add Lines 6 and 9 and enter on Line 10.
11. Subtract Line 7 from Line 10 (but not less than zero) and enter on Line 11.
12. Enter the lesser of Line 1 or 11 on Line 12 and also on Form MO-1120, Part 1, Line 3.

Note: You must specifically identify each loss year that is part of the net operating loss deduction and a separate Form MO-5090 must be completed for each loss year.

Note: The above items are each considered to be a positive amount for purposes of this calculation. If the result of combining amounts is negative, use zero.

If you have questions you may call 573-751-4541.

Frequently Asked Questions

1. *If a taxpayer has incurred a net operating loss, when is a net operating loss addition modification computed?*

   A net operating loss addition modification is computed when a net operating loss **deduction** is claimed. If there was a net operating loss for the tax year 2004 and the taxpayer carried it back two years and claimed a net operating loss deduction on an amended federal return for tax year 2002, then a net operating loss addition modification would be computed for the 2002 amended Missouri return.

2. *Is the Net Operating Loss Addition Modification computed for the year of the loss?*

   No, it is computed for the year a net operating loss deduction is used.

3. *If a taxpayer has claimed a net operating loss deduction on its federal return **and** in the year the initial loss was incurred, its Missouri addition modifications are less than its subtraction modifications, does it have to compute a net operating loss modification?*

   No, there is no net operating loss addition modification attributable to that net operating loss because in the year of the **initial** loss, the Missouri addition modifications were less than the Missouri subtraction modifications.

4. *If the net operating loss deduction is composed of net operating loss amounts from more than one year, is there more than one net operating loss addition modification?*

   Yes, a net operating loss addition modification must be computed for each net operating loss included in the net operating loss deduction.

5. *If more than one net operating loss addition modification is computed, in what order are the amounts computed?*

   The net operating loss addition modifications are computed in the same order as the net operating losses are used as net operating loss deductions for federal income tax purposes.