

**Application for Tentative Refund**

▶ **Before you fill out this form, read the instructions on page 3.**

▶ **Do not attach to your income tax return—mail in a separate envelope.**

▶ **For use by individuals, estates, or trusts.**

Please type or print	Name	Social security or employer identification number
	Number, street, and apt. or suite no. (if P.O. box or foreign address, see instructions)	Spouse's social security number
	City, town or post office, state, and ZIP code	Telephone no. (optional) ( )
1 This application is filed to carry back: \$		(a) Net operating loss (from Schedule A, page 2, line 21)
2 (a) For the year Jan.–Dec. 31, 1990, or other tax year beginning , 1990, ending , 19		(b) Unused general business credit \$
		(c) Date tax return was filed
		(d) Service center where tax return was filed

- 3 If this application is for an unused credit created by another carryback, give year of the first carryback ▶
- 4 If you filed a joint return (or separate return) for some, but not all of the tax years involved in figuring the carryback, indicate the years of the joint or separate returns ▶
- 5 If social security number for carryback year is different from above, enter number and indicate the year(s) ▶
- 6 If you changed your accounting period, give date permission to change was granted ▶
- 7 Have you filed a petition in Tax Court for the year(s) to which the carryback is to be applied?  Yes  No
- 8 Does this carryback include a loss or credit from a tax shelter required to be registered?  Yes  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
9 Adjusted gross income from tax return . . . . .						
10 Net operating loss deduction after carryback (see instructions—attach computation) . . . . .						
11 Subtract line 10 from line 9 . . . . .						
12 Deductions (see instructions) . . . . .						
13 Subtract line 12 from line 11 . . . . .						
14 Exemptions . . . . .						
15 Taxable income (subtract line 14 from line 13) . . . . .						
16 Income tax (see instructions—attach computation) . . . . .						
17 General business credit . . . . .						
18 Other credits (identify) . . . . .						
19 Total credits (add lines 17 and 18) . . . . .						
20 Subtract line 19 from line 16 . . . . .						
21 Recapture taxes . . . . .						
22 Alternative minimum tax . . . . .						
23 Self-employment tax . . . . .						
24 Other taxes . . . . .						
25 Total tax liability (add lines 20 through 24)						
26 Enter amount from line 25, cols. (b), (d), and (f) . . . . .						
27 Decrease in tax (subtract line 26 from line 25) . . . . .						

**28 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.

**Sign Here**

See page 4. ▶ Your signature \_\_\_\_\_ Date \_\_\_\_\_

▶ Spouse's signature (if Form 1045 is filed jointly, BOTH must sign) \_\_\_\_\_ Date \_\_\_\_\_

**Preparer Other Than Taxpayer** Name ▶ \_\_\_\_\_ Date \_\_\_\_\_

Address ▶ \_\_\_\_\_

**Schedule A—Computation of Net Operating Loss (NOL)**

<b>1</b> Adjusted gross income from 1990 Form 1040, line 32 (estates and trusts, skip lines 1 and 2) . . . . .		<b>1</b>	
<b>2</b> Deductions (applies to individuals only):			
<b>a</b> Enter amount from your 1990 Form 1040, line 34 . . . . .	<b>2a</b>		
<b>b</b> Multiply \$2,050 by the total number of exemptions on your 1990 Form 1040, line 6e . . . . .	<b>2b</b>		
<b>c</b> Add lines 2a and 2b . . . . .		<b>2c</b>	(            )
<b>3</b> Combine lines 1 and 2c (estates and trusts, enter your taxable income) . . . . .		<b>3</b>	
<b>Note:</b> If line 3 is zero or more, do not complete rest of schedule. You do not have a net operating loss.			
<b>Adjustments:</b>			
<b>4</b> Exemptions from line 2b above (estates and trusts, enter exemption from your tax return) . . . . .		<b>4</b>	
<b>5</b> Nonbusiness capital losses (enter as a positive number) . . . . .	<b>5</b>		
<b>6</b> Nonbusiness capital gains . . . . .	<b>6</b>		
<b>7</b> If line 5 is more than line 6, enter difference; otherwise, enter zero . . . . .	<b>7</b>		
<b>8</b> If line 6 is more than line 5, enter difference; otherwise, enter zero . . . . .	<b>8</b>		
<b>9</b> Nonbusiness deductions (see instructions below) . . . . .	<b>9</b>		
<b>10</b> Nonbusiness income (other than capital gains) (see instructions below) . . . . .	<b>10</b>		
<b>11</b> Add lines 8 and 10 . . . . .	<b>11</b>		
<b>12</b> If line 9 is more than line 11, enter difference; otherwise, enter zero . . . . .		<b>12</b>	
<b>13</b> If line 11 is more than line 9, enter difference (but do not enter more than line 8); otherwise, enter zero . . . . .	<b>13</b>		
<b>14</b> Business capital losses (enter as a positive number) . . . . .	<b>14</b>		
<b>15</b> Business capital gains . . . . .	<b>15</b>		
<b>16</b> Add lines 13 and 15 . . . . .	<b>16</b>		
<b>17</b> If line 14 is more than line 16, enter difference; otherwise, enter zero . . . . .	<b>17</b>		
<b>18</b> Add lines 7 and 17. Reduce this amount by the difference between lines 18 and 19 of Schedule D (Form 1040). For purposes of this computation, treat lines 18 and 19 of Schedule D as positive. (Trusts should use the equivalent lines on Schedule D (Form 1041).) . . . . .		<b>18</b>	
<b>19</b> Net operating losses from other years (enter as a positive number) . . . . .		<b>19</b>	
<b>20</b> Add lines 4, 12, 18, and 19 . . . . .		<b>20</b>	
<b>21 Net Operating Loss.</b> —Combine lines 3 and 20. If the combined amount is less than zero, enter it here and on page 1, line 1a. <b>Note:</b> If the combined amount is zero or more, you <b>do not</b> have a net operating loss . . . . .		<b>21</b>	

**Instructions for Schedule A—Computation of Net Operating Loss (NOL)**

Use and include this schedule for your NOL that is available for carryback or carryover.

**Line 9—Nonbusiness deductions.**—These are deductions that are not connected with a trade or business. They include the following:

- IRA deduction.
- Self-employed health insurance deduction.
- Keogh retirement plan deduction.
- Standard deduction if you do not itemize deductions. Itemized deductions are usually nonbusiness, except for casualty and theft losses and any employee business expenses (such as union dues, uniforms, tools, and educational expenses).

**Do not enter business deductions** on line 9. These are deductions that are connected with a trade or business. They include the following:

- If you itemized your deductions, casualty and theft losses are business deductions even if they involve nonbusiness property. Employee business expenses (such as union dues, uniforms, tools, and educational expenses) are also business deductions.

- Loss on the sale or exchange of business real estate or depreciable property.
- Your proportionate share of a loss from a partnership or an S corporation.
- Loss on the sale of stock in a small business corporation that qualifies as an ordinary loss.
- Loss from the sale or exchange of small business investment company stock that qualifies as an ordinary loss.
- Loss from the sale of accounts receivable if such accounts arose under the accrual method of accounting.

**Line 10—Nonbusiness income (other than capital gains).**— This is income that is not from a trade or business. Examples are dividends, annuities, and interest on investments.

**Do not enter business income** on line 10. This is income from a trade or business. Business income includes the following:

- Salaries and wages.
- Gain on the sale or exchange of business real estate or depreciable property.
- Your proportionate share of income from a partnership or an S corporation.

## General Instructions

(Section references are to the Internal Revenue Code.)

**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:

<b>Recordkeeping</b> . . . . .	34 hrs., 12 min.
<b>Learning about the law or the form</b> . . . . .	6 hrs., 47 min.
<b>Preparing the form</b> . . . . .	22 hrs., 32 min.
<b>Copying, assembling, and sending the form to IRS</b> . . . . .	4 hrs., 17 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 (1545-0098)**, Washington, DC 20503. Do not send Form 1045 to either of these offices. Instead, see **Where To File** below.

**Purpose of Form.**—If you are an individual, estate, or trust, use this form to apply for:

- A quick refund of taxes from carryback of a net operating loss (NOL) or an 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).

**Note:** An NOL may be carried back 3 years and forward 15 years. However, you may elect to carry forward a 1990 net operating loss instead of first carrying it back by attaching a statement to that effect on a return filed on time (including any extensions) for 1990. Once you make the election, it is irrevocable and the carryforward is limited to 15 years.

**What To Attach.**—Attach copies of the following, if applicable, to Form 1045 for the year of the loss or credit:

- If you are an individual, pages 1 and 2 of your 1990 Form 1040, and Schedules A and D.
- All Schedules K-1 you received from a partnership, S corporation, estate, or trust that contribute to the loss or credit carryback.
- A copy of the application for extension of time to file your 1990 income tax return, if any.
- Copies of all **Forms 8271**, Investor Reporting of Tax Shelter Registration Number, attached to your 1990 return.
- Any other form or schedule from which the carryback results (such as Schedule C or F (Form 1040), or Form 3468).

In addition, attach copies of forms or schedules for items refigured in the carryback years (such as Form 6251 or Form 3468).

**All applicable information described above must be attached to your application and all questions on page 1 must be answered. Otherwise, your Form 1045 will not be processed.**

**When To File.**—File Form 1045 within 1 year after the end of the year in which the NOL, unused credit, or claim of right adjustment arose, but only on or after the date you file your 1990 return.

When the NOL or credit carryback eliminates or reduces another credit in an earlier year, you may be able to carry back the released credit 3 more years. See the credit forms for the carryback years for additional information. Also see section 39 and the regulations under section 6411.

Since the unused credit created affects the taxes of a year or years before the 3 years preceding the 1990 tax year, use a second Form 1045 for the earlier year(s). File the second application also within 1 year after the 1990 tax year. To expedite processing, file the two Forms 1045 together.

**Where To File.**—File Form 1045 with the Internal Revenue Service Center where you are required to file your 1990 income tax return.

*Do not mail Form 1045 with your 1990 income tax return.*

**Allowance of Adjustment.**—IRS will process this application within 90 days from the later of:

- The date you file the complete application; or
- The last day of the month in which the due date falls (including any extension of time granted) for filing the return for the 1990 tax year. (For an overpayment of tax under section 1341(b)(1), 90 days from the date of the overpayment.)

Before processing certain cases involving abusive tax shelter promotions and before paying refunds, IRS will reduce refunds of investors when appropriate, and will offset deficiencies assessed under provisions of section 6213(b)(3) against scheduled refunds resulting from tentative carryback adjustments under section 6411(b). See Revenue Procedure 84-84, 1984-2 C.B. 782 and Revenue Ruling 84-175, 1984-2 C.B. 296.

The processing of the Form 1045 and the payment of the refund requested does not mean IRS has accepted the items carried back to previous years as being correct. If it is later determined by an examination of the tax return for the year of the carryback that the claimed deductions or credits are due to an overstatement of the value of property, negligence, substantial understatement of income tax, or tax motivated transactions, you may have to pay penalties. In addition to these penalties, any additional tax will also generate interest compounded daily.

We may need to contact you (or your authorized representative if you have one) for more information so we can process your application. If you want to designate a representative for us to contact (for example, your accountant or tax return preparer), please attach a copy of your authorization to Form 1045. For this purpose, you may use **Form 2848**, Power of Attorney and Declaration of Representative or **Form 8821**, Tax Information Authorization.

**Disallowance of Form 1045.**— This application for a tentative carryback adjustment is not a claim for credit or refund. Any application may be disallowed if it has material omissions or math errors that cannot be corrected within the 90-day period. If it is disallowed in whole or in part, no suit may be brought in any court for the recovery of that tax. But you may file a regular claim for credit or refund before the limitation period expires, as explained below under **Form 1040X (or Other Amended Return)**.

**Excess Allowances.**—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.

**Form 1040X (or Other Amended Return).**—Individuals can get a refund by filing **Form 1040X**, instead of Form 1045. An estate or trust may file an amended return. Generally, you must file Form 1040X (or other amended return) within 3 years after the due date of the return for the 1990 tax year.

If you use Form 1040X or other amended return, attach a computation of your NOL on Schedule A (Form 1045). Complete a separate Form 1040X or other amended return for each year you request an adjustment.

The procedures for Form 1040X differ from those for Form 1045. IRS is not required to process your Form 1040X within 90 days. However, if we do not process it within 6 months from the date you filed it, you may file suit in court. If we disallow your claim on Form 1040X, you must file suit no later than 2 years after the date we disallow it.

**Additional Information.**—For more details on net operating losses, get **Pub. 536**, Net Operating Losses.

## Line-by-Line Instructions

### Address

**P.O. box.**—If your post office does not deliver mail to your home or office and you have a P.O. box, show your P.O. box instead of your home or office address.

**Foreign address.**—If your address is outside of the United States or its possessions or territories, enter the information on the line for "City, town or post office, state, and ZIP code" in the following order: city, province or state, postal code, and the name of the country. Do not abbreviate the country name.

**Line 1(a)—Net operating loss.**—Figure your net operating loss (NOL) on Schedule A, page 2.

Carry an NOL back to the 3rd tax year before the loss. Any loss not used in the 3rd year is carried to the 2nd, and then the 1st preceding year. Carry a loss not applied in the 3 preceding years forward up to 15 years. 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 related regulations for details.

If you filed a joint return (or a separate return) for some, but not all of the tax years involved in figuring the NOL carryback, special rules apply in computing the NOL deduction. See Pub. 536 for the special rules. Attach a computation showing how you figured the carryback.

**Line 1(b)—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 you apply the carryback. 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.

If you filed a joint return (or separate return) for some, but not all of the tax years involved in figuring the unused credit carryback, special rules apply in computing the carryback. Get the **Instructions for Form 3800, General Business Credit**. Attach a computation showing how you figured the carryback.

**Line 2(a).**—If the year of the loss, unused credit, or overpayment under section 1341(b)(1) is other than the calendar year 1990, please enter the required information.

**Lines 9 through 28.**—Enter in columns (a), (c), and (e) the amounts for the applicable carryback year as shown on your original or amended return. If the return was examined, enter the amounts determined as a result of the examination.

**Line 10—Net operating loss deduction after carryback.**—If your net operating loss (NOL) is more than the taxable income of the year to which it is carried, you must figure the amount of the NOL that is to be carried to the next tax year. The amount of the NOL you may carry to the next tax year, after applying it to an earlier year(s), is the excess, if any, of the NOL carryback over the **modified taxable income** of that earlier year. Modified taxable income is the taxable income of the earlier year figured with the following modifications:

(1) Your deduction for the excess of capital losses over capital gains is not allowed.

(2) The NOL carryback from the 1990 tax year or any later tax year is not allowed. However, net operating losses, otherwise allowable as carrybacks or carryforwards, occurring in tax years before 1990, are taken into account in figuring the modified taxable income for the earlier tax year.

(3) You may not claim any personal exemptions.

(4) Any deductions claimed, except charitable contributions, that are based on, or limited to, a percentage of adjusted gross income (such as medical expenses) must be refigured on the basis of the adjusted gross income after you apply (1) and (2) above. Determine the deduction for charitable contributions using the same adjustments except that you do not take into account any NOLs you carry back.

**Note:** You may find after making these modifications that you arrive at a negative figure for modified taxable income. If so, treat the modified taxable income as zero.

For more information on how to figure the NOL to be carried to the next year, see Pub. 536.

### Line 12—Deductions.

**Individuals.**—Enter the amount shown on your Form 1040, line 33a or 33b for 1987; line 34 for 1988 and 1989. If you used Form 1040A, enter the amount from line 14d for 1987; line 16 for 1988 and 1989. If you used Form 1040EZ, enter the amount from line 4 for 1987 and 1988. For 1989, enter the amount from line 4 if you checked the "Yes" box. If you checked the "No" box, enter \$3,100.

**Line 16—Income tax.**—For columns (b), (d), and (f), refigure your tax after taking the NOL carryback into account. Attach a detailed computation. The tax form and instructions for the applicable year will help you make this computation. Include on this line any tax from Form 4970, Form 4972, and Form 5544.

**Computation of tax when the NOL is fully absorbed in the earliest preceding tax year.**—In refiguring your tax for the year to which the NOL is carried and fully absorbed, determine the deduction for charitable contributions without regard to any NOL carryback. Any other deductions claimed based on, or limited to, a percentage of your adjusted gross income (such as medical expenses) must be refigured on the basis of your adjusted gross income, determined after you apply the NOL carryback. Also, any credits based on, or limited by, the tax must be refigured on the tax as determined after you apply the NOL carryback.

See Pub. 536 for more information and examples.

**Line 17—General business credit.**—Enter any general business credit. Identify the applicable credits.

**Line 18—Other credits.**—See your tax return for the carryback year for any additional credits (such as credit for child and dependent care expenses, credit for the elderly or the disabled, etc.) that will apply in that year. If there is an entry on this line, identify the credit(s) claimed.

**Line 21—Recapture taxes.**—Enter the amount shown on your Form 1040, line 50 for 1987, 1988, and 1989.

**Line 22—Alternative minimum tax.**—A carryback of an unused credit may increase your alternative minimum tax or first cause you to be liable for it. A carryback of an NOL may reduce your alternative minimum tax. Use Form 6251 to figure this tax, and attach a copy if there is any change to your alternative minimum tax liability.

**Line 23—Self-employment tax.**—Do not adjust the self-employment tax because of any carryback.

**Line 24—Other taxes.**—See your tax return for the carryback year for any other taxes not mentioned above, such as tax on an IRA, that will apply in that year. If there is an entry on this line, identify the taxes that apply.

**Line 28—Overpayment of tax under section 1341(b)(1).**—If you apply for a tentative refund based on an overpayment of tax under section 1341(b)(1), enter it on this line. Also attach a computation that shows the information required in Regulations section 5.6411-1(d).

### Signature

**Individuals.**—Sign and date Form 1045. If Form 1045 is filed jointly, both spouses must sign.

**Estates.**—All executors must sign and date Form 1045.

**Trusts.**—The fiduciary or an authorized representative must sign and date Form 1045.