

2012

Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations — Individuals, Estates, and Trusts

3805V

Attach to your California tax return.

Names as shown on return

SSN or ITIN

FEIN

Part I Computation of Current Year NOL for Individuals, Estates, and Trusts. If you do not have a current year NOL, go to Part II.

Section A — California Residents Only (Nonresidents go to Section B.)

- 1 Adjusted gross income from 2012 Form 540, line 17. If negative, use brackets. Estates and Trusts, begin on line 3
2 Itemized deductions or standard deduction from 2012 Form 540, line 18
3 a Combine line 1 and line 2. (Estates and Trusts, enter taxable income, see instructions.) If negative, use brackets.
b 2012 designated disaster loss included in line 3a. Enter as a positive number.
c Combine line 3a and line 3b. If negative, use brackets and continue to line 4. If zero or more, do not complete the rest of Part I.

Enter amounts on line 4 through line 24 as if they were all positive numbers. See instructions.

- 4 Nonbusiness capital losses
5 Nonbusiness capital gains. See instructions.
6 If line 4 is more than line 5, enter the difference; otherwise, enter -0-
7 If line 4 is less than line 5, enter the difference; otherwise, enter -0-
8 Nonbusiness deductions
9 Nonbusiness income other than capital gains
10 Add line 7 and line 9.
11 If line 8 is more than line 10, enter the difference; otherwise, enter -0-
12 If line 8 is less than line 10, enter the difference; otherwise, enter -0-
13 Business capital losses.
14 Business capital gains
15 Add line 12 and line 14.
16 If line 13 is more than line 15, enter the difference; otherwise, enter -0-
17 Add line 6 and line 16.
18 Enter the loss, if any, from line 8 of Schedule D (540). Estates and Trusts, enter the loss, if any, from line 9, column (c), of Schedule D (541). If you do not have a loss on that line, skip line 18 through line 21 and enter on line 22 the amount from line 17.
19 Enter the loss, if any, from line 9 of Schedule D (540). Estates and Trusts, enter the loss, if any, from line 10 of Schedule D (541). Enter as a positive number.
20 If line 18 is more than line 19, enter the difference; otherwise, enter -0-
21 If line 19 is more than line 18, enter the difference; otherwise, enter -0-
22 Subtract line 20 from line 17. If zero or less, enter -0-
23 NOL and disaster loss carryovers from prior years. See instructions.
24 Add lines 11, 21, 22, and 23.
25 2012 NOL carryover. Combine line 3c and line 24. If more than zero, enter -0-. You do not have a current year NOL to carryover

Section B — Nonresidents and Part-Year Residents Only — Computation of Current Year California NOL

	A Enter total amounts as if you were a CA resident for entire year.	B Enter amounts earned or received from CA sources if you were a nonresident for the entire year.	C Enter amounts earned or received during the portion of the year you were a CA resident.	D Enter amounts earned or received from CA sources during the portion of the year you were a nonresident.	E Total Combine columns C and D
1 Adjusted gross income. See instructions If negative, use brackets 1					
2 Itemized deductions or standard deduction. See instructions. 2 () () () () ()					
3 a Combine line 1 and line 2. See instructions.. 3a					
b 2012 designated disaster loss included in line 3a. Enter as a positive number 3b					
c Combine line 3a and line 3b. If negative, use brackets and continue to line 4 3c					
Enter amounts on line 4 through line 24 as if they were all positive numbers.					
4 Nonbusiness capital losses 4					
5 Nonbusiness capital gains 5					
6 If line 4 is more than line 5, enter the difference; otherwise, enter -0- 6					
7 If line 4 is less than line 5, enter the difference; otherwise, enter -0- 7					
8 Nonbusiness deductions 8					
9 Nonbusiness income other than capital gains 9					
10 Add line 7 and line 9 10					
11 If line 8 is more than line 10, enter the difference; otherwise, enter -0- 11					
12 If line 8 is less than line 10, enter the difference; otherwise, enter -0- 12					
13 Business capital losses 13					
14 Business capital gains 14					
15 Add line 12 and line 14 15					
16 If line 13 is more than line 15, enter the difference; otherwise, enter -0- 16					
17 Add line 6 and line 16 17					
18 Enter the loss, if any, from line 4 of Schedule D (540NR) worksheet for nonresidents and part-year residents. See instructions. 18					
19 Enter the loss, if any, from line 5 of Schedule D (540NR) worksheet for nonresidents and part-year residents. Enter as a positive number 19					
20 If line 18 is more than line 19, enter the difference; otherwise, enter -0- 20					
21 If line 19 is more than line 18, enter the difference; otherwise, enter -0- 21					
22 Subtract line 20 from line 17. If zero or less, enter -0- 22					
23 NOL and disaster loss carryovers from prior years 23					
24 Add lines 11, 21, 22, 23 24					
25 2012 NOL carryover. Combine line 3c and line 24. If more than zero, enter -0- 25					

Part II Determine 2012 Modified Taxable Income (MTI). Be sure to read the instructions for Part II.

1 Taxable income. See instructions	1	00
Enter amounts on line 2 through line 4 as if they were all positive numbers.		
2 Capital loss deduction included in line 1	2	00
3 Disaster loss carryover included in line 1	3	00
4 NOL carryover included in line 1	4	00
5 MTI. Combine line 1 through line 4. If line 5 is zero or less, enter -0-	5	00

Part III NOL Carryover and Disaster Loss Carryover Limitations. See Instructions.

	(g) Available balance	
1 MTI from Part II, line 5	1	

Prior Year NOLs

(a) Year of loss	(b) Code	(c) Type of NOL* See below	(d) Initial Loss	(e) Carryover from 2011	(f) Amount used in 2012	(g)	(h) Carryover to 2013 subtract column (f) from column (e)
1 2012							

Current Year NOLs

3 2012		DIS					
4 2012							
2012							
2012							
2012							

*Type of NOL: General (GEN), New Business (NB), Eligible Small Business (ESB), or Disaster (DIS).

5 NOL carryover. Add the carryover amounts in column (h) that are not the result of a disaster loss	5	00
6 Disaster loss carryover. Enter the total loss carryover amounts in column (h) that are the result of disaster losses	6	00

2012 Instructions for Form FTB 3805V

Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations — Individuals, Estates, and Trusts

References in these instructions are to the Internal Revenue Code (IRC) as of **January 1, 2009**, and the California Revenue and Taxation Code (R&TC).

What's New

For taxable years beginning on or after January 1, 2012, California has reinstated the Net Operating Loss (NOL) carryover deduction.

General Information

In general, for taxable years beginning on or after January 1, 2010, California law conforms to the Internal Revenue Code (IRC) as of January 1, 2009. However, there are continuing differences between California and federal law. When California conforms to federal tax law changes, we do not always adopt all of the changes made at the federal level. For more information, go to **ftb.ca.gov** and search for **conformity**. Additional information can be found in FTB Pub. 1001, Supplemental Guidelines to California Adjustments, the instructions for California Schedule CA (540 or 540NR), and the Business Entity tax booklets.

The instructions provided with California tax forms are a summary of California tax law and are only intended to aid taxpayers in preparing their state income tax returns. We include information that is most useful to the greatest number of taxpayers in the limited space available. It is not possible to include all requirements of the California Revenue and Taxation Code (R&TC) in the tax booklets. Taxpayers should not consider the tax booklets as authoritative law.

NOL Suspensions – For taxable years beginning in 2010 and 2011, California suspended the NOL carryover deduction. Taxpayers continued to compute and carryover NOLs during the suspension period. However, taxpayers with a modified adjusted gross income of less than \$300,000 or with disaster loss carryovers were not affected by the NOL suspension rules.

For taxable years beginning in 2008 and 2009, California suspended the NOL carryover deduction. Taxpayers continued to compute and carryover their NOL during the suspension period. However, taxpayers with a net business income of less than \$500,000 or with disaster loss carryovers were not affected by the NOL suspension rules.

Extended Carryovers for Suspended NOLs

– The carryover period for any NOL or NOL carryover, for which a deduction is disallowed because of the 2008-2011 suspension, are extended by:

- One year for losses incurred in taxable years beginning on or after January 1, 2010, and before January 1, 2011.
- Two years for losses incurred in taxable years beginning before January 1, 2010,
- Three years for losses incurred in taxable years beginning before January 1, 2009.
- Four years for losses incurred in taxable years beginning before January 1, 2008.

For more information, get FTB Legal Ruling 2011-04.

Also, NOLs incurred in taxable years beginning on or after January 1, 2013, may be carried back to each of the preceding two taxable years.

The allowable NOL carryback percentage varies. For an NOL incurred in a taxable year beginning on or after:

- January 1, 2013, and before January 1, 2014, the carryback amount shall not exceed 50% of the NOL.
- January 1, 2014, and before 2015, the carryback amount shall not exceed 75% of the NOL.
- January 1, 2015, the carryback amount shall be 100% of the NOL.

Carryovers – For NOLs incurred in taxable years beginning on or after January 1, 2008, California has extended the NOL carryover period from 10 taxable years to 20 taxable years following the year of the loss.

For taxable years that began in 2002 and 2003, California suspended the NOL carryover deduction. Taxpayers continued to compute and carryover an NOL during the suspension period. However, the deduction for disaster losses was not affected by the NOL suspension rules.

The carryover period for an NOL incurred in taxable years:

- Beginning before January 1, 2002, have been extended for two years.
- Beginning on or after January 1, 2002, and before January 1, 2003, have been extended for one year.

For more information, get FTB Legal Ruling 2011-4.

Carryover Percentages – For taxable years beginning on or after January 1, 2004, the NOL carryover percentage is 100%. The NOL carryover percentage varies for NOLs incurred prior to January 1, 2004. See the chart on the next page for more information.

A Purpose

Individuals, Estates, or Trusts use form FTB 3805V, Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations — Individuals, Estates, and Trusts, to figure the current year NOL and to limit the NOL carryover and disaster loss deductions.

Form FTB 3805V is divided into three parts:

- Part I: Computation of Current Year NOL.
- Part II: Determine Modified Taxable Income (MTI). MTI is the amount of your taxable income that can be offset by your prior years' NOL carryover.
- Part III: NOL Carryover and Disaster Loss Carryover Limitations.

Corporations use form FTB 3805Q, Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations — Corporations.

B Types of NOLs

NOLs and Disaster Losses – If your deductions for the year exceed your income, you may have an NOL carryover. The California NOL is generally figured the same way as the federal NOL. However under California law:

- Carryover periods and percentages vary with the type of California NOL. The table on page 2 describes the various types of losses and shows the carryover percentages and periods for each type.
- An NOL may be carried over only to future years. No carrybacks are allowed (except for specified disaster losses). **Note:** California will allow NOLs incurred in taxable years beginning on or after January 1, 2013, to be carried back to each of the preceding two taxable years. See General Information for more information.
- You can elect an NOL from an activity within the following areas or zones to offset income earned solely within those areas or zones:
 - 1) Enterprise Zone (EZ). Get FTB 3805Z, Enterprise Zone Business Booklet, for more information.
 - 2) Local Agency Military Base Recovery Area (LAMBRA). Get FTB 3807, Local Agency Military Base Recovery Area Business Booklet, for more information.
 - 3) Targeted Tax Area (TTA). Get FTB 3809, Targeted Tax Area Business Booklet, for more information.

C Nonresidents and Part-Year Residents

Do not complete Part I, Section A.

Nonresidents: Complete Part I, Section B, column A and column B.

Part-Year Residents: Complete Part I, Section B, column A through column E.

NOL Carryover Computation. For taxable years beginning on or after January 1, 2002, the NOL carryover computation for the California taxable income of a nonresident or part-year resident is no longer limited by the amount of net operating loss from all sources. Only your California sourced income and losses are considered in determining if you have a California NOL.

Change of Residency to California. For taxable years beginning on or after January 1, 2002, if you have NOL carryovers and were a nonresident of California in prior years, the NOL carryovers must be restated as if you had been a California resident for all prior years.

Type of NOL and Description	Taxable Year NOL Incurred	NOL Carried Over	Carryover* Period
<p>General NOL (GEN)</p> <p>Available as a result of a loss incurred in years after 1986 allowed under R&TC Section 17276.20. (Does not include losses incurred from activities that qualify as a new business or an eligible small business [described below], an EZ, LARZ, LAMBRA, TTA, disaster loss, or a loss due to Pierce's disease and its vectors).</p>	<p>On or after 01/01/2008</p> <p>2004-2007</p> <p>2002-2003</p> <p>2000-2001</p> <p>1987-1999</p>	<p>100%</p> <p>100%</p> <p>60%</p> <p>55%</p> <p>None</p>	<p>20 years</p> <p>10 years</p> <p>10 Years</p> <p>10 Years</p> <p>Expired</p>
<p>Disaster Losses (DIS)</p> <p>Casualty losses sustained as the result of a disaster, not reimbursed by insurance or otherwise, and designated by the President of the United States or the Governor of California to warrant assistance.</p> <p>If the loss qualifies under IRC Section 165(j), the taxpayer may elect to deduct the loss from the previous year's income.</p> <p>If special legislation is enacted under the R&TC, 100% of the excess loss may be carried over for up to five years. If any excess loss remains after the five year period, 50% of that remaining loss may be carried over for up to ten additional taxable years for losses incurred in any taxable year beginning before January 1, 2000; 55% for losses incurred in any taxable year beginning on or after January 1, 2000, and before January 1, 2002; 60% for losses incurred in any taxable year beginning on or after January 1, 2002, and before January 1, 2004; or 100% for losses incurred in any taxable year beginning on or after January 1, 2004.</p>	<p>See "Designated Disasters" on next page</p>	<p>100%</p> <p>See Description</p>	<p>First 5 Years</p> <p>10 Years Thereafter</p>
<p>New Business NOL (NB) Refer to FTB Legal Ruling 96-5 issued August 19, 1996.</p> <p>New Business means any trade or business that first commenced in California on or after January 1, 1994. 100% of an NOL may be carried over, but only to the extent of the net loss from the new business. If a taxpayer's NOL exceeds the net loss from the new business, the excess may be carried over as a general NOL.</p> <p>If a taxpayer acquires assets of an existing trade or business which is doing business in California, the trade or business thereafter conducted by the taxpayer or related persons (IRC Sections 267 or 318) is not a new business if the fair market value (FMV) of the acquired assets exceeds 20% of the FMV of the total assets of the trade or business.</p> <p>If a taxpayer or related person has been engaged in a trade or business in California within the preceding 36 months and thereafter commences an additional trade or business in California, the additional trade or business qualifies as a new business only if the activity is classified under a different division of the Standard Industrial Classification (SIC) Manual, 1987 Edition. Business activities conducted by the taxpayer or related persons wholly outside California are disregarded in determining whether the trade or business conducted within California is a new business.</p> <p>The term "new business" includes any taxpayer engaged in biopharmaceutical activities or other biotechnology activities described in Codes 2833 to 2836 of the SIC Manual, 1987 Edition. It also includes any taxpayer that has not received regulatory approval for any product from the United States Food and Drug Administration. See R&TC Section 17276.20(f)(7)(A) for more information.</p>	<p>On or after 01/01/2008</p> <p>On or after 01/01/2000 and before 01/01/2008</p> <p>On or after 01/01/1994 and before 01/01/2000</p> <p>Year of Business</p> <p>Year 1</p> <p>Year 2</p> <p>Year 3</p>	<p>100%</p> <p>100%</p> <p>For the first three years of business</p> <p>100%</p> <p>100%</p> <p>100%</p>	<p>20 years</p> <p>10 years</p> <p>8 Years</p> <p>7 Years</p> <p>6 Years</p>
<p>Eligible Small Business (ESB) Refer to FTB Legal Ruling 96-5 issued August 19, 1996.</p> <p>An ESB NOL is an NOL Incurred in operating a trade or business activity that has gross receipts, less returns and allowances, of less than \$1 million during the taxable year. 100% of an ESB NOL may be carried over, but only to the extent of the net loss from the eligible small business. If a taxpayer's NOL exceeds the net loss from an eligible small business, the excess may be carried over as a general NOL.</p> <p>Taxpayers should use the same SIC Code tests described in the "New Business NOL," above, to group trade or business activities for the eligible small business NOL.</p>	<p>On or after 01/01/2008</p> <p>On or after 01/01/2000 and before 01/01/2008</p> <p>On or after 01/01/1994 and before 01/01/2000</p>	<p>100%</p> <p>100%</p> <p>None</p>	<p>20 years</p> <p>10 years</p> <p>Expired</p>

*Note: The carryover period for any NOL or NOL carryover, for which a deduction is disallowed because of the 2008-2011 suspension, is extended. For more information, see General Information.

Change of Residency from California.

For taxable years beginning on or after January 1, 2002, if you have NOL carryovers and you become a nonresident of California, your NOL carryovers must be restated as if you had been a nonresident of California for all prior years.

If your residency status changes from the time you generate the NOL carryover to the time you apply the NOL deduction, you will need to recompute the NOL carryover amount. For more information, get FTB Pub. 1100, Taxation of Nonresidents and Individuals Who Change Residency.

Specific Line Instructions

Part I – Current Year NOL

Use Part I to figure your current year NOL, if any, to carry over to future years.

If you have losses from more than one source and/or more than one category, it may be necessary to compute the allowable NOL carryover for each loss separately.

If you **do not** have a current year NOL, skip Part I and go to Part II.

If you have a current year NOL relating to an EZ (R&TC Section 17276.2), LAMBRA (R&TC Section 17276.5), or TTA (R&TC Section 17276.6), you must:

- Make the election in a statement attached to the original return to carry over only one of these losses or the loss under R&TC Section 17276.20 (relating to general NOLs).
- Use the applicable economic development area form to calculate the NOL.

The election is **irrevocable**. Get FTB 3805Z, FTB 3807, or FTB 3809, for more information.

Section A – Individuals, Estates, and Trusts

Line 3 – Estates or Trusts, enter the amount from your 2012 Form 541, line 20a or Form 109, line 9.

Line 4 through Line 7 – You may deduct nonbusiness capital losses up to the amount of nonbusiness capital gains. You may not deduct any excess nonbusiness capital losses over nonbusiness capital gains.

Nonbusiness capital losses and gains are losses and gains from other than a trade or business. These include sales of stock, metals, and other appreciable assets as well as any recognized gain from the sale of your principal residence.

Line 8 – Enter deductions that are not related to a trade or business and are not related to your employment (such as taxes, medical expenses, alimony, charitable contributions, and your contributions to individual retirement plans).

If you do not itemize your deductions, your nonbusiness deductions include the standard deduction. A casualty loss is considered a "business expense" regardless of whether it is connected with a trade or business; do not include it as a nonbusiness deduction.

Line 9 – Enter income that is not related to a trade or business (such as dividends, pensions, annuities, income from an endowment, or interest earned on investments).

Line 11 and Line 12 – You may subtract nonbusiness deductions only from nonbusiness income, including any nonbusiness capital gains that remain after deducting nonbusiness capital losses. If your nonbusiness deductions are larger than your nonbusiness income, you may not deduct the excess.

Line 16 – You may deduct business capital losses only up to the total of business capital gains and any nonbusiness capital gains that remain after deducting nonbusiness capital losses and other nonbusiness deductions.

Line 23 – Enter the amount of your prior year NOL and disaster loss carryover from your 2011 form FTB 3805V, Part III, line 5 and line 6.

Line 25 – Enter the amounts from line 25 on Part III, line 4, column (d) and column (h). If you have an NOL from more than one source, list each loss separately.

If you have an NOL or disaster loss from prior years (line 23), complete Part II and Part III, to determine the loss carryover to future years.

Section B – Nonresidents and Part-Year Residents

Full-Year Nonresidents: Complete Part I, Section B, column A and column B. Enter amounts from line 25 on Part III, line 4, column (d) and column (h).

Part-Year Residents: Complete Part I, Section B, column A through column E.

Enter the number of days during the year you were a California resident: _____

Enter the number of days during the year you were a nonresident: _____

Complete column A, line 1 through line 25 as if you were a California resident for the entire year.

Line 1 – Enter the amount from 2012 Long Form 540NR, line 17.

Line 2 – Enter the amount from 2012 Long Form 540NR, line 18.

Line 3a – If negative, use brackets. If positive, enter -0- here and on line 25. Complete Part II and Part III if you have a carryover from prior years.

Line 18 – If you do not have a loss on Schedule D (540NR) line 4 worksheet for nonresidents and part-year residents, skip line 18 through 21 and enter on line 22 the amount from line 17.

Complete column B, line 1 through line 25 if you were a nonresident for the entire year.

Line 1 – Enter the amount from 2012 Long Form 540NR, line 32.

Line 2 – Enter the amount from 2012 Schedule CA (540NR), line 48.

Complete column C and D, line 1 through line 25 using the dates of transactions. If the dates are unknown because they were not specifically reported to you, then you will need to prorate the amounts. For column C, multiply the amount in column A by the number of days you were a resident divided by 365 days. For column D, multiply the amount in column B by the number of days you were a nonresident divided by 365 days.

Column E, line 25 enter this amount on Part III, line 4, column (d) and column (h).

Part II – Modified Taxable Income (MTI)

Use this part if:

- You are carrying over an NOL from years prior to 2012.
- You are carrying over a disaster loss from years prior to 2012.
- You have an unused 2012 disaster loss to carry over.

The purpose of this part is to figure your MTI. You must make certain modifications to your taxable income to determine how much you can carry over to next year. Your carryover to next year is the excess of your NOL deduction over your MTI.

Use this part to determine what your 2012 income (loss) was before taking any NOL carryover disaster loss, or disaster loss carryover deductions. This adjusted amount is called your MTI.

Line 1 – Form 540 filers: Subtract 2012 Form 540, line 18 from Form 540, line 17. If negative, use brackets.

Form 541 filers: Subtract 2012 Form 541, line 18 from Form 541, line 17. If negative, use brackets.

Long Form 540NR filers: Subtract 2012 Schedule CA (540NR), line 48 from Schedule CA (540NR), line 45. If negative, use brackets.

Line 2 – Enter as a positive number the net capital loss deduction from your 2012 Schedule D (540NR), line 9 or Schedule D (541), line 10.

Long Form 540NR filers: To figure your MTI, enter your net capital loss from your 2012 Schedule CA (540NR), line 13, column E, determined in accordance with Schedule D (540NR).

Line 3 – Enter as a positive number the disaster loss carryover deduction from your 2012 Schedule CA (540), line 21b, column B or Form 541, line 15a.

Long Form 540NR filers: To figure your MTI, enter the disaster loss carryover deduction amount from your 2012 Schedule CA (540NR), line 21, column E.

Line 4 – Enter as a positive number the NOL carryover deduction from your 2012 Schedule CA (540), line 21d, column B or Form 541, line 15a.

Long Form 540NR filers: To figure your MTI, enter the disaster loss carryover deduction amount from your 2012 Schedule CA (540NR), line 21, column E.

Part III – Limitations

Keep a copy of Form FTB 3805V with your records until you use all losses or they expire. Use this section to:

- Figure the NOL and disaster loss deduction actually taken in 2012 and the total disaster losses and NOL to be carried over to future years.
- Keep track of the expiration and limitations of any unused carryovers.

Nonresidents or Part-Year Residents: If you were a nonresident or part-year resident during the year, get FTB Pub. 1100, for more information.

When to use an NOL carryover – Use your NOLs and disaster losses in the order the losses were incurred. There is no requirement to deduct NOL carryovers, before disaster loss carryovers.

Line 1 – Enter the MTI from Part II, line 5. This is the maximum NOL carryover deduction you are allowed for 2012. NOL carryover amounts in excess of MTI may be eligible for carryover to 2013. See General Information B, Types of NOLs.

Line 2

Column (a) – Enter the years, earliest first, the loss was incurred.

Column (b) – If the loss is from a new business or eligible small business, enter the SIC Code for the new business or eligible small business from the Standard Industrial Classification Manual.

If this is a farming enterprise, enter the agricultural activity code from federal Schedule F.

If the loss is from a pass-through entity, such as a partnership, S corporation, or limited liability company (LLC), enter the partnership's FEIN, the California corporation number, or the LLC's California Secretary of State file number from Schedules K-1 (100S, 565, or 568).

If the loss is due to a disaster, enter the disaster code from the list of designated disasters on this page.

Designated Disasters

Year	Code	Event
2011	51	Los Angeles and San Bernardino County Severe Winds 11/11***
2011	50	Santa Cruz County Severe Storms 03/11***
2011	49	Mendocino County Tsunami Wave Surge 03/11
2011	48	Del Norte and Santa Cruz County Tsunami Wave Surge 03/11**
2011	47	Severe Winter Storms, Flooding, Debris and Mud Flows 12/10, 01/11**
2010	46	San Bruno Explosion
2010	45	Kern County Wildfires
2010	44	CA Winter Storms, 01/10, 02/10
2009	43	Los Angeles, Monterey, Placer County Wildfires
2010	42	Baja California (Imperial County) Earthquake
2010	41	Humboldt County Earthquake
2009	40	Santa Barbara Wildfires
2008	39	Southern California Wildfires 10/08, 11/08
2008	38	Humboldt County Wildfire
2008	37	California Wildfires 2008
2007	36	Riverside County Winds
2008	35	Inyo Complex fire
2007	34	Southern California Wildfires
2007	33	Santa Barbara and Ventura County Fires
2007	32	El Dorado County Wildfires
2007	31	California Severe Freeze: (01/07)
2006	30	Riverside and Ventura County Wildfires
2006	29	San Bernardino County Wildfires
2006	28	Northern California flooding, mudslides, and landslides (03/06 to 04/06)
2006	27	Northern California flooding, mudslides, and landslides (12/05 to 01/06)
2004	26	Shasta County Wildfires
2005	25	Southern California flooding, debris flows, and mudslides
2004	24	San Joaquin Levee Break
2003	23	San Simeon Earthquake
2003	22	Southern California Fires and other related casualties
2000	21	Napa County earthquake
1999	19	Winter Freeze 98/99
1998	18	El Niño 98
1997	17	Disaster floods 97 (expired)*

*Taxpayers who elected to deduct the disaster loss in the prior year under IRC Section 165(i), the final year to deduct the disaster loss carryover was last year. Taxpayers who did not elect IRC Section 165(i), the final year to deduct the disaster loss carryover is this year.

**Carryover period and percentage are limited to the NOL rules. No special legislation was enacted.

***The Santa Cruz County Severe Storms occurred in March 2011 and the Los Angeles and San Bernardino County Severe Winds occurred in November 2011 disaster loss deductions are allowed at 100% and can be carried over for 20 years. Taxpayers can elect to deduct the disaster loss in the prior year return under IRC Section 165(i). Any provision of law that suspends, defers, reduces, or otherwise diminishes the deduction of a

NOL does not apply to a NOL attributable to the Santa Cruz County Severe Storms that occurred in March 2011 and the Los Angeles and San Bernardino County Severe Winds that occurred in November 2011. Refer to R&TC Sections 17207.11 and 17207.12 for more information.

You may elect to claim a disaster loss in the year prior to the year in which the disaster occurred if the President declared the event a disaster eligible for emergency assistance. Get instructions for federal Form 4684, Casualties and Thefts, for information about when the election must be filed.

Column (c) – Enter the type of NOL from the table Type of NOL and Description, on page 2. If using Pierce's Disease or an economic development area (EDA) NOL, get the applicable form for the NOL type.

Column (d) – Enter the amount of the initial loss related to the year entered in column (a) on the same line.

Column (e) – Enter the amount from your 2011 form FTB 3805V, Part III, column (h). You should have already applied the applicable percentage to any remaining disaster loss carryover. See General Information B, Types of NOLs for more information.

Column (f) – Enter the smaller of the amount in column (e) or the balance in column (g). If column (g) of the previous line has been reduced to zero, your remaining NOL carryover may be eligible for carryover to 2013. See General Information B, Types of NOLs.

Column (g) – Subtract column (f) from the balance in column (g) of the previous line and enter the result.

Column (h) – Subtract the amount in column (f) from the amount in column (e) and enter the result. After the initial five year disaster loss carryover, apply the applicable percentage to any remaining disaster loss carryover. See General Information B, Types of NOLs for more information.

If you elect to have a current year NOL relating to one of the following areas or zones and need more information:

- EZ (R&TC Section 17276.2), get form FTB 3805Z.
- LAMBRA (R&TC Section 17276.5), get form FTB 3807.
- TTA (R&TC Section 17276.6), get form FTB 3809.

Then, you must:

- Make the election in a statement attached to the original return to carry over only one of these losses **or** the loss under R&TC Section 17276.20 (relating to general NOLs).
- Use the applicable economic development area form to calculate the NOL.

This election is irrevocable.

Current Year NOLs

If a disaster loss occurs between the date of the publication and the end of the taxable year, go to **ftb.ca.gov** for an updated version of this form, which will include information for any subsequent disaster loss. Then follow the line 3 instructions.

Line 3 – Current Year Disaster Loss

Use line 3 to claim your 2012 disaster loss.

Column (b) – Enter the disaster loss code.

Column (d) – Enter your 2012 disaster loss from Part I, line 3b. However, if you elected to claim your 2012 disaster loss on your 2011 return, enter on line 2 the carryover amount from your 2011 form FTB 3805V, Part III, line 6.

Column (f) – Enter the smaller of the amount in column (d) or the balance in column (g) of the previous line.

Column (h) – Subtract the amount in column (f) from the amount in column (d) and enter the result in column (h).

Line 4 – If you have a current year NOL from more than one source, list each loss separately. If you operate one or more new businesses and one or more eligible small businesses, the following rules apply. Determine the amount of the loss attributable to the new business(es) and to the eligible small business(es). Then take the NOL in the following order:

- The new business NOL.
- The eligible small business NOL.
- Any remaining NOL (treat as an NOL under the general rules).

Column (b) and Column (c) – See the instructions for line 2. Do not enter Current Year Disaster NOLs on line 4.

Line 5 – NOL carryover – Total the carryover amounts from column (h) that are NOT the result of a disaster loss.