

Instructions for 2014 Form 4BL

Wisconsin Net Business Loss Carryforward for Separate Entity Corporations

Purpose of Form 4BL

Corporations use Form 4BL to determine the amount of available net business loss carryforward for the current year. Corporations that are members of a combined group must complete Form 6BL on a separate company basis.

Net business losses may be carried forward and offset against net income for up to 20 years. The corporation must have sustained the loss in a taxable year in which it was subject to Wisconsin franchise or income taxation. **Carrybacks are not permitted.**

In the case of a merger, acquisition, ownership change, etc., occurring in the 1987 taxable year or thereafter, any net business losses that would be available to the predecessor corporation are available to the successor corporation, as provided in section 381 of the Internal Revenue Code (IRC). However, the Wisconsin losses may be limited as provided in IRC section 382. **Provide the predecessor's name and FEIN and attach a copy of its Form 4BL to document the Wisconsin loss.**

Form 4BL should only be used by corporations filing on separate entity basis.

Column (b). For the years shown in column (a), enter the amount, if any, of Wisconsin net business loss incurred.

Column (c). For the years shown in column (a), enter the amount, if any, of Wisconsin net income **before** applying any net business loss carryforwards.

Note for columns (b) and (c): Corporations filing income tax returns rather than franchise tax returns must adjust the amounts to enter in column (b) or (c) by reversing any exclusions of interest earned on obligations of the United States government.

Column (d). For those years in which income is reported in column (c), enter, as a negative number, any net business losses from prior years which were used to offset that income. Apply only as much loss as is needed to reduce the income to zero. Also enter in column (d) any net business loss from a prior year that expired at the end of this taxable year.

Column (e). Enter the year or years in which the loss shown in column (d) was incurred. Offset the oldest losses first.

Column (f). Enter the total loss carryforward available at the end of each taxable year. This is the column (f) amount for the immediately preceding taxable year increased by any net business loss incurred in the taxable year and decreased by (1) any loss used to offset net income of the taxable year and (2) any loss that expired at the end of the taxable year.

Enter the amount of loss shown on line 30, column f, on Form 4, line 14.

Additional Information and Assistance

Web Resources

The Department of Revenue's web page, available at revenue.wi.gov, has a number of resources to provide additional information and assistance, including:

- Related [forms](#) and their instructions
- [Common questions](#)
- [Publications](#) on specific tax topics
- The [Wisconsin Tax Bulletin](#)
- A home page specifically for [combined reporting topics](#)
- Links to the [Wisconsin Statutes and Administrative Code](#)

Contact Information

If you cannot find the answer to your question in the resources available on the Department of Revenue's web page, contact the Department using any of the following methods:

- E-mail your question to DORFranchise@revenue.wi.gov
- Call (608) 266-2772
(Telephone help is also available using TTY equipment. Call the Wisconsin Telecommunications Relay System at 711 or, if no answer, (800) 947-3529. These numbers are to be used only when calling with TTY equipment.)
- Send a fax to (608) 267-0834
- Write to the Audit Bureau, Wisconsin Department of Revenue, Mail Stop 5-144, PO Box 8906, Madison, WI 53708-8906