

The schedule allows for up to five (5) loss years. If the current year's net operating loss deduction is derived from more years, please complete and attach separate schedule(s).

The net operating loss deduction allowable on Form NYC-204 is computed in the same manner for unincorporated business tax purposes as it would be for federal income tax purposes if the unincorporated business were an individual taxpayer, but taking into account only unincorporated business gross income and unincorporated business deductions allocated to New York City of the unincorporated business.

If the unincorporated business was carried on both inside and outside New York City during the year in which the net operating loss was sustained, the allowable current year's net operating loss deduction is determined by reference to the allocation basis or method used in the year the loss was sustained, regardless of whether the unincorporated business was carried on both inside and outside New York City during the current year.

LINE1a

Enter the year ended date (MM-DD-YYYY) for the earliest loss year in column Year 1.

LINE 1b

Enter the amount of loss allocated to New York City for the loss year

LINES 2 and 3

For purposes of completing line 2, the amount of loss absorbed in a year is determined without regard to changes in interests of the member partners.

LINE 5

If the amount on Schedule A, line 10 is a loss, enter "0." Enter on line 5 the amount from Schedule A, line 10. On the column for any subsequent loss year, enter on line 5 the amount from the current year's Schedule A, line 10, reduced by the sum of the amounts entered on line 10 for any earlier loss years.

LINES 7, 8, 9 and 10

For limitations on the net operating loss deduction of a partnership where the interests of the member partners have changed between a loss year and the year for which the deduction is claimed, refer to Section 11-507(2)(b) of the NYC Administrative Code and 19 RCNY Section 28-06(c)(3).

LINE 10

Multiply the percentage on line 9 by the amount on line 6. The excess, if any, of the amount on line 6 over the amount

entered on line 10 is considered absorbed and is not available as a carry-over to another year.

LINE 11

Add the amounts on Line 10. Enter the total here and on Page 1, Schedule A, Line 11