



**Instructions by Column:**

- (a) Enter tax years ending in 2018 and 2019 that have a business interest expense deduction carryforward balance at January 1, 2020. This table should be maintained for all subsequent tax years until the 2018 and 2019 tax year carryforwards have been utilized in full.
- (b) Enter the business interest expense that would have been deducted on the taxpayer's federal and excise tax returns had the business interest expense deduction not been limited by Section 163(j).
- (c) Enter the total business interest expense deduction computed on a separate entity, pro forma federal Form 8990 without considering any amounts reported on Line 3 of the Form that are attributed to partnerships filing an excise tax return and partnerships not filing an excise return and not having contributed to the initial business interest expense deduction carryforward balance. The amount reported in this column generally equals the amount reflected on federal Form 8990, Line 30, as modified by the Line 3 adjustment previously mentioned. Partnerships should complete this column based on a pro forma federal Form 8990 in which the carryforwards are retained at the partnership level.
- (d) Subtract column (c) from column (b). A positive amount indicates that a carryforward is established for the tax year. A negative amount indicates that all or a portion of a previously established carryforward was utilized in the tax year.
- (e) This column equals the sum of all amounts reported in column (d) for the current and all prior tax years listed in the table.
- (f) Enter the tax year(s) (i.e., tax year 2018 or 2019) from which any utilized carryforward(s) originated in this column. If carryforwards are being utilized from multiple tax years, use a separate row for each tax year and enter the corresponding tax year in which the carryforward is being utilized (e.g., 2020) in column (a) for each row.
- (g) Enter the amount of the 2018 and/or 2019 tax year carryforward that was deducted on both the taxpayer's federal tax return and excise tax return (this should be the same amount). Use multiple rows if carryforwards are being utilized from multiple originating tax years. Disallowed business interest expense carryforwards are deducted in the order of the year in which they were incurred, starting with the earliest year. The sum of all amounts reported in this column, for each row reported under the tax year indicated in column (a), should equal the absolute value of the amount reported in column (d) for such tax year.
- (h) Enter the remaining carryforward amount for the tax year indicated in column (f). This amount should equal the originally established carryforward balance reported in column (d) for the tax year in question less any amounts currently and previously reported for the tax year in column (g).