

Bloomberg Tax

State Tax Analyzer™ NOL Manager

Forecast accurate net operating loss impacts on cash tax, reduce effective tax rate, and improve corporate earnings per share.

State Tax Analyzer is a corporate state income tax modeling solution that enables organizations doing business in multiple states to analyze and manage their state income tax positions for planning, audits, provision, and cash tax management. NOL Manager is a powerful feature of *State Tax Analyzer* that delivers the ability to accurately predict net operating loss (NOL) impacts on cash tax, helps minimize the effective tax rate (ETR), and improves corporate earnings per share.

Worry-Free NOL Forecasting

With the latest built-in tax law, NOL Manager automatically computes the generation and utilization (carrybacks and carryforwards) of state net operating losses across multiple years and multiple scenarios. NOL Manager saves time, increases accuracy, and reduces risk, enabling users to:

- Manage the burn down of NOL assets and impacts to cash tax
- Compute and document valuation allowances to withstand internal and external scrutiny
- Show impacts of IRS and state tax audits on NOLs
- Estimate taxes for financial statements and quarterly estimates
- Calculate and track NOLs from the year 1998 forward for pre- and post-apportionment states
- Accurately forecast taxes including future enacted tax law

Automatic NOL Tracking

Today's complex corporate tax structures make accurately tracking NOLs more difficult than ever before. Especially when you have to consider every legal entity and various filing groups across multiple states. Yet, pressure for increased transparency in financial statements and due diligence make this task vital to every corporate tax department.

With NOL Manager, corporate state income tax rules and regulations across 44 states and the District of Columbia are automatically tracked and applied by entity or filing group. Sharing rules that are currently specified by each state are also applied – taking the guess work and stress out of tracking NOLs across multiple years and multiple states.

A Trusted Solution for Increased Efficiency

Because state NOL rules differ greatly from Federal NOLs, each state has its own comprehensive set of rules to compute NOLs, including what amount can eventually be utilized in a carryback or carryover year. With each year, states introduce new complexity forcing some tax professionals to reactively create specialized, home-grown spreadsheets and databases to track NOLs, utilization, valuation allowances, expiration dates, and to manually enter appropriate amounts in tax compliance and provision systems.

With NOL Manager, tax professionals no longer face the cumbersome chore of maintaining multiple spreadsheets in order to compute the allowable NOL, and utilization amounts across multiple years. NOL Manager delivers in-depth tax expertise, rock-solid



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calculations, and powerful analytics that let tax professionals focus on tax strategy, and quickly model out:

- What-if planning and projections
- Impacts from tax audits
- Quarterly estimates
- Provision calculations
- Cash tax management

Multiyear, Multi-Scenario Comparisons

What-if scenarios from as-filed data can be created, copied, and compared side-by-side across years, states, and entities. With *State Tax Analyzer's* NOL Manager, even the most demanding multistate, multiyear tax planning and provision situations, such as accessing income tax audit impacts can be handled quickly and easily, allowing you to take advantage of:

- A familiar spreadsheet approach that fits into your current work style
- An audit trail that shows who did what when, giving you the SOX controls you need
- Permissions control that protects your work
- Flexible custom tax calculations
- Compliance with thorough documentation
- A flexible reporting basis so you can seamlessly switch between combined/unitary, consolidated, and separate entity reporting as needed

Bloomberg Tax's renowned tax expertise is built right into the software, providing the most up-to-date, comprehensive calculations, and projections. By reducing risk and simplifying complex multistate, multiyear, and multi-entity NOL calculations, NOL Manager supports corporations in tax planning, accelerates tax audit closure, and reduces risks associated with spreadsheet use.

About Bloomberg Tax

Bloomberg Tax provides comprehensive global research, news, and technology services enabling tax professionals to get the timely, accurate, and in-depth information they need to plan and comply with confidence. Our flagship Bloomberg Tax platform combines the proven expertise and perspectives of leading tax practitioners in our renowned Tax Management Portfolios™ with integrated news from the industry-leading Daily Tax Report®, authoritative analysis and insights, primary sources, and time-saving practice tools. Bloomberg Tax technology solutions on our proprietary Advantage platform help practitioners simplify complex processes to better control risk and maximize profitability. For more information, visit <https://www.bna.com/tax>.

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