INSTRUCTIONS FOR AR-OI

Primary's legal name: Enter the primary's full legal name.

Primary's social security number: Enter the primary's social security number or ITIN.

Additions to Income

1. **Federal depreciation:** Enter the amount of federal depreciation claimed on federal schedules during the tax year. Attach federal Form 4562 and any other forms or schedules used in calculating the amount.
2. **HSA and/or MSA taxable distributions:** Enter any distributions from a Health Savings Account or Medical Savings Account. Attach Form(s) 1099-SA.
3. **Long-term care insurance contracts**: Enter the taxable portion of a distribution received. Attach Form(s) 1099-LTC.
4. **Gambling winnings:** Enter the total amount of income won by gambling. Do not include lottery winnings. Attach Form(s) W-2G.
5. **Lottery/contest winnings:** Enter amount won from a lottery or contest. Attach Form W-2G(s).
6. **Scholarships/fellowships/stipends:** Enter only taxable income received in the form of scholarships, fellowships, or stipends. Attach Form(s) such as W-2, 1042-S, 1099-MISC, 1099-NEC, or 1098-T.
7. **Pass-Through Entity adjustment:** If you are a member of a Pass-Through Entity that elected to be taxed at the entity level, enter the amount of exempt losses, excluding capital gains. Enter amount not claimed on Schedule E. Attach AR K-1 and/or AR1099PT.
8. **Cancellation of debt:** Enter the amount from Form 1099-C. Please note that in Arkansas, certain types of cancelled debt reported on Form 1099-C may not be taxable under specific circumstances. Generally, cancelled debt is considered taxable income because it represents forgiveness of a debt obligation that the taxpayer would have otherwise been required to pay. However, there are some exceptions and exclusions that may apply, including but not limited to:
   - Student loans forgiven under the Public Student Loan forgiveness program (PSLF)
   - Student loans forgiven for due to total and permanent disability (TPD)

   NOTE: Please check with your student loan provider to see what type of loan forgiveness you received.
9. **Name, image, and likeness (NIL) income:** Enter the total amount of income earned through a name, image, and likeness agreement.
10. **Other:** Enter here any other income not otherwise reported. Attach explanation and any schedules.
11. **Income Total:** Add lines 1 through 10. Enter the sum.

Subtractions from Income

12. **State depreciation:** Enter the amount of depreciation allowed in Arkansas and not claimed elsewhere. Attach Schedule. Note: Arkansas has not adopted IRC Section 168(k) regarding bonus depreciation.
13. **Net operating loss:** Enter the amount claimed as a deduction. Attach Form AR1000NOL.
14. **Foreign earned income exclusion:** Complete federal Form 2555. Attach the form and enter the amount from line 42.
15. **Loss on excess deferral distribution:** Enter the amount of distribution withdrawn prior to April 15, 2026.
16. **Pass-Through Entity adjustment:** If you are a member of a Pass-Through Entity that elected to be taxed at the entity level, enter the amount of exempt income, excluding capital gains. Enter amount of income from your Schedule E and/or line 7 above. Attach AR K-1 and/or AR1099PT.
17. **Name, image, and likeness (NIL) income:** Enter the nontaxable portion of income earned through a name, image, and likeness agreement.

    NOTE: The portion that is nontaxable is only the amount of income recieved by a student-athlete from an institution of higher education as compensation for the use of his or her name, image, or likeness.
18. **Other:** Enter here any other loss not otherwise reported. Attach explanation and any schedules.
19. **Losses Total:** Add lines 12 through 18. Enter the sum.
20. **Net Total:** Subtract line 19 from line 11. Enter the difference.