

MINNESOTA • REVENUE

Schedule M2SB, Income Tax Computation for S Portion of ESBT 2012 **2012 M2SB**

Print or Type	Name of Trust	Federal ID Number	Minnesota ID Number
	Name of S-Corporation S Portion of ESBT Holds Stock In	Federal ID Number of S-Corporation	
	Additional S-Corporation S Portion of ESBT Holds Stock In	Federal ID Number of Additional S-Corporation	

Income	1 Federal taxable income of S portion (<i>enclose federal computation</i>)		1	
	2 Fiduciary's deductions and losses not allowed by Minnesota (<i>see Form M2 instructions, page 4</i>) ..		2	
	3 Additions (<i>from line 21, on the back of this form</i>)		3	
	4 Add lines 1 through 3		4	
	5 Subtractions (<i>from line 28, on the back of this form</i>)	5		
	6 Fiduciary's income from non-Minnesota sources (<i>see Form M2 instructions, page 4</i>)	6		
	7 Add lines 5 and 6		7	
	8 Minnesota taxable net income. Subtract line 7 from line 4		8	
Tax and Payments	9 Tax from table on pages 10 through 13 of the M2 instructions using the income amount shown on line 8		9	
	10 Total of tax from Schedule M2MT (<i>enclose Schedule M2MT</i>)		10	
	11 Total of 2012 tax for S portion. Add lines 9 and 10 and include amount on line 11 of Form M2		11	

(Continued)

You must include this schedule and a copy of federal computations for the S portion of the ESBT when you file Form M2.

Adjustments to Income

2011 M2SBP2

Additions	12 State and municipal bond interest from outside Minnesota	12	
	13 State income tax deducted on federal return	13	
	14 Expenses deducted on your federal return that are attributable to income not taxed by Minnesota (other than interest or mutual fund dividends from U.S. bonds)	14	
	15 80 percent of the suspended loss from 2001–2005 or 2008–2011 on your federal return that was generated by bonus depreciation (see <i>Form M2 instructions, page 7</i>)	15	
	16 80% of federal bonus depreciation	16	
	17 Fines, fees and penalties deducted federally as a trade or business expense	17	
	18 Net operating loss carryover adjustment	18	
	19 Domestic production activities deduction	19	
	20 Federal tax-exempt subsidies paid to employers for providing prescription drug coverage for their retirees	20	
	21 Add lines 12 through 20. Enter the result here and on line 3	21	
Subtractions	22 Interest on U.S. government bond obligations, minus any expenses deducted on your federal return that are attributable to this income	22	
	23 State income tax refund included on federal return	23	
	24 Federal bonus depreciation subtraction (see <i>Form M2 instructions, page 7</i>)	24	
	25 Job Opportunity Building Zone (JOBZ) business and investment income exemptions (see <i>Form M2 instructions, page 8</i>)	25	
	26 Subtraction for prior addback of reacquisition of business indebtedness income	26	
	27 Net operating loss carryover adjustment	27	
	28 Add lines 22 through 27. Enter the result here and on line 5	28	

Schedule M2SB Instructions 2012

Who Must File Schedule M2SB

If a trust is filing as an Electing Small Business Trust (ESBT), you must file Schedule M2SB to report all items relating to the S Portion of the trust.

Line Instructions

Round amounts to the nearest whole dollar.

Line 1

Enter the Federal taxable income of the S Portion that you calculated on your federal schedule. Be sure to include a copy of the federal schedule when you file Form M2 and Schedule M2SB.

Line 10

Complete a separate Schedule M2MT for the S Portion of the trust. See the instructions for Schedule M2MT for details on completing this form for the S Portion of the ESBT.