

Schedule M2SB, Income Tax Computation for S Portion of ESBT 2014

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 page 2 of this form</i>)	3	
	4 Add lines 1 through 3	4	
	5 Subtractions (<i>from line 30, on page 2 of this form</i>)	5	
	6 Fiduciary's income from non-Minnesota sources (<i>see Form M2 instructions, page 4</i>)	6	
Tax and Payments	7 Add lines 5 and 6	7	
	8 Minnesota taxable net income. Subtract line 7 from line 4	8	
	9 Tax from table on pages 11 through 14 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 2014 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

Additions	12 State and municipal bond interest from outside Minnesota	12	<input type="text"/>
	13 State income tax deducted on federal return	13	<input type="text"/>
	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	<input type="text"/>
	15 80 percent of the suspended loss from 2001–2005 or 2008–2013 on your federal return that was generated by bonus depreciation (see <i>Form M2 instructions, page 7</i>)	15	<input type="text"/>
	16 80 percent of federal bonus depreciation	16	<input type="text"/>
	17 Fines, fees and penalties deducted federally as a trade or business expense	17	<input type="text"/>
	18 This line intentionally left blank Code: <input type="text"/>	18a	<input type="text"/>
	(See instructions) Code: <input type="text"/>	18b	<input type="text"/>
	19 Net operating loss carryover adjustment	19	<input type="text"/>
	20 Domestic production activities deduction	20	<input type="text"/>
	21 Add lines 12 through 20. Enter the result here and on line 3	21	<input type="text"/>
Subtractions	22 Interest on U.S. government bond obligations, minus any expenses deducted on your federal return that are attributable to this income	22	<input type="text"/>
	23 State income tax refund included on federal return	23	<input type="text"/>
	24 Federal bonus depreciation subtraction (see <i>Form M2 instructions, page 7</i>)	24	<input type="text"/>
	25 Job Opportunity Building Zone (JOBZ) business and investment income exemptions (see <i>Form M2 instructions, page 8</i>)	25	<input type="text"/>
	26 This line intentionally left blank <input type="text"/>	26a	<input type="text"/>
	<input type="text"/>	26b	<input type="text"/>
	27 Subtraction for prior addback of reacquisition of business indebtedness income	27	<input type="text"/>
	28 Subtraction for Railroad maintenance expenses not allowed as federal deduction	28	<input type="text"/>
	29 Net operating loss carryover adjustment	29	<input type="text"/>
	30 Add lines 22 through 29. Enter the result here and on line 5	30	<input type="text"/>

2014 Schedule M2SB Instructions

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.

Report all the income from the S Portion of an ESBT on the Schedule M2SB. Enter the name and federal tax ID of each S-Corporation on the Form M2SB, if you have to enter more than two and need additional spaces include them on an attached statement.

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.

Lines 12 - 30

To complete lines 12 through 30, please see instructions for M2 lines 25 through 42 on pages 6 through 8 of the M2 instructions.