

**2015 Schedule M2SB, Income Tax Computation for S Portion of ESBT**

<b>Print or Type</b>	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	

<b>Income</b>	<b>1</b> Federal taxable income of S portion ( <i>enclose federal computation</i> ) . . . . .	<b>1</b>	_____
	<b>2</b> Fiduciary's deductions and losses not allowed by Minnesota ( <i>see Form M2 instructions, page 4</i> ) . . . . .	<b>2</b>	_____
	<b>3</b> Additions ( <i>from line 21, on page 2 of this form</i> ) . . . . .	<b>3</b>	_____
	<b>4</b> Add lines 1 through 3 . . . . .	<b>4</b>	_____
	<b>5</b> Subtractions ( <i>from line 30, on page 2 of this form</i> ) . . . . .	<b>5</b>	_____
	<b>6</b> Fiduciary's income from non-Minnesota sources ( <i>see Form M2 instructions, page 4</i> ) . . . . .	<b>6</b>	_____
	<b>7</b> Add lines 5 and 6 . . . . .	<b>7</b>	_____
<b>Tax and Payments</b>	<b>8</b> Minnesota taxable net income. Subtract line 7 from line 4 . . . . .	<b>8</b>	_____
	<b>9</b> Tax from table on pages 10 through 13 of the M2 instructions using the income amount shown on line 8 . . . . .	<b>9</b>	_____
	<b>10</b> Total of tax from Schedule M2MT ( <i>enclose Schedule M2MT</i> ). . . . .	<b>10</b>	_____
	<b>11</b> Total of 2015 tax for S portion. Add lines 9 and 10 and include amount on line 11 of Form M2 . . . . .	<b>11</b>	_____

**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** █ \_\_\_\_\_
- 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 2008-2014 on your  
federal return that was generated by bonus depreciation (see Form M2 instructions, page 7) . . . . . **15** █ \_\_\_\_\_
- 16 80 percent of federal bonus depreciation . . . . . **16** █ \_\_\_\_\_
- 17 Fines, fees and penalties deducted federally as a trade or business expense . . . . . **17** █ \_\_\_\_\_
- 18 Addition due to federal changes not adopted by Minnesota. . . . .  **18a** █ \_\_\_\_\_  
 **18b** █ \_\_\_\_\_
- 19 Net operating loss carryover adjustment . . . . . **19** █ \_\_\_\_\_
- 20 Domestic production activities deduction . . . . . **20** █ \_\_\_\_\_

Subtractions

- 21 Add lines 12 through 20. Enter the result here and on line 3. . . . . **21** █ \_\_\_\_\_
- 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 Form M2 instructions, page 7) . . . . . **24** █ \_\_\_\_\_
- 25 Job Opportunity Building Zone (JOBZ) business and investment  
income exemptions (see Form M2 instructions, page 8) . . . . . **25** █ \_\_\_\_\_
- 26 Subtraction due to federal changes not adopted by Minnesota. . . . .  **26a** █ \_\_\_\_\_  
 **26b** █ \_\_\_\_\_
- 27 Subtraction for prior addback of reacquisition of business indebtedness income . . . . . **27** █ \_\_\_\_\_
- 28 Subtraction for railroad maintenance expenses . . . . . **28** █ \_\_\_\_\_
- 29 Net operating loss carryover adjustment . . . . . **29** █ \_\_\_\_\_
- 30 Add lines 22 through 29. Enter the result here and on line 5 . . . . . **30** █ \_\_\_\_\_



# 2015 Schedule M2SB Instructions

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## 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.

**Note:** For lines 18 and 26 see page 9 of the M2 instructions.