

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

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	_____
	7 Add lines 5 and 6	7	_____
Tax and Payments	8 Minnesota taxable net income. Subtract line 7 from line 4	8	_____
	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 2015 tax for S portion. Add lines 9 and 10 and include amount on line 11 of Form M2	11	_____

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 This line is intentionally left blank. 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 This line is intentionally left blank. 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

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.