



# 2020 Schedule KSNC, Federal Adjustments

Minnesota has generally adopted the Internal Revenue Code as amended through December 15, 2022. This schedule allows for any remaining necessary adjustments required to file a state tax return.

Read the instructions before completing this schedule.

Tax year beginning \_\_\_\_\_, 2020, ending \_\_\_\_\_

Shareholder's Name \_\_\_\_\_

Shareholder's Social Security Number \_\_\_\_\_

S Corporation's Name \_\_\_\_\_

S Corporation's Federal ID Number \_\_\_\_\_

S Corporation's Minnesota ID Number \_\_\_\_\_

Enter as a positive or negative. Round amounts to the nearest whole dollar. Form M1 filers, include on:

## Adjustments to federal taxable income (FTI)

- 1 This line intentionally left blank ..... 1 ■ \_\_\_\_\_
- 2 This line intentionally left blank ..... 2 ■ \_\_\_\_\_
- 3 Employee Retention Credit (CARES Act Sec. 2301) ..... 3 ■ \_\_\_\_\_ M1NC, Line 11
- 4 IRC Section 461 net nonbusiness income/loss ..... 4 ■ \_\_\_\_\_ See line 4 inst.
- 5 Modification of business interest limitation (CARES Act Sec. 2306) ..... 5 ■ \_\_\_\_\_ M1NC, Line 16
- 6 This line intentionally left blank ..... 6 ■ \_\_\_\_\_
- 7 Employer credit for paid medical leave and Employer payroll credit for required paid family leave (FFCRA Sec. 7001, 7003) ..... 7 ■ \_\_\_\_\_ M1NC, Line 18
- 8 This line intentionally left blank ..... 8 ■ \_\_\_\_\_
- 9 This line intentionally left blank ..... 9 ■ \_\_\_\_\_
- 10 This line intentionally left blank ..... 10 ■ \_\_\_\_\_
- 11 This line intentionally left blank ..... 11 ■ \_\_\_\_\_
- 12 Employee retention credit for employers affected by qualified disasters (TCDTR Sec. 203) ..... 12 ■ \_\_\_\_\_ M1NC, Line 12
- 13 This line intentionally left blank ..... 13 ■ \_\_\_\_\_
- 14 This line intentionally left blank ..... 14 ■ \_\_\_\_\_
- 15 This line intentionally left blank ..... 15 ■ \_\_\_\_\_
- 16 Temporary Allowance of Full Deduction for Business Meals. .... 16 ■ \_\_\_\_\_ M1NC, Line 25
- 17 Credit for COBRA Continuation Coverage (ARPA Sec. 9501) ..... 17 ■ \_\_\_\_\_ M1NC, Line 27
- 18 This line intentionally left blank. .... 18 ■ \_\_\_\_\_
- 19 This line intentionally left blank. .... 19 ■ \_\_\_\_\_





Shareholder's Name \_\_\_\_\_

Shareholder's Social Security Number \_\_\_\_\_

S Corporation's Name \_\_\_\_\_

S Corporation's Federal ID Number \_\_\_\_\_

S Corporation's Minnesota ID Number \_\_\_\_\_

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21 This line intentionally left blank. . . . . 21 ■ \_\_\_\_\_

22 This line intentionally left blank. . . . . 22 ■ \_\_\_\_\_

23 This line intentionally left blank. . . . . 23 ■ \_\_\_\_\_

24 Total lines 1-23. If the result is positive, enter it on Schedule KS, line 9.  
If the amount is negative, enter it as a positive number on Schedule KS, line 16. . . . . 24 ■ \_\_\_\_\_

**You must include this schedule when you file Schedule KS.**



# 2020 Schedule KSNC Instructions

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Shareholder's use of information provided on Schedule KSNC

## Purpose of Schedule KSNC

Schedule KSNC is a supplemental schedule provided by the S corporation to its shareholders. The shareholders need this information to complete one of the following:

- *Minnesota Schedule M1NC* if you are an individual shareholder.
- *Minnesota Schedule M2NC* if you are a trust or estate shareholder.
- *Minnesota Schedule M2SBNC* if you are an electing small business trust shareholder.

These instructions are intended to help you report your share of the S corporation's nonconformity adjustments on your Minnesota return.

**You must include Schedule KSNC when you file your Minnesota return.** If you do not include the schedule with your return as required, your return processing will be delayed.

**If you receive an amended Schedule KSNC** from the S corporation and your nonconformity adjustments have changed, you must file an amended Minnesota return.

To amend your return, use one of the following:

- *Form MIX, Amended Minnesota Income Tax Return*, if you are an individual shareholder.
- *Form M2X, Amended Income Tax Return for Estate and Trust*, if you are a trust or estate shareholder.

## Line Instructions

### Line 1 – This Line Intentionally Left Blank

#### Line 2

This line is intentionally left blank.

### Line 3 – Employee Retention Credit (CARES Act Sec.2301; TCDTR20 Sec. 206 and 207; ARPA Sec. 9651)

*Individuals:* Include this amount on Schedule M1NC, line 11.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 3.

*Electing Small Business Trust:* Include this amount on Schedule M2SBNC, line 3.

### Line 4 – IRC Section 461 Net Nonbusiness Income/Loss

*Individuals:* Use this amount when calculating Schedule M1NC, line 14.

*Trusts and Estates:* Use this amount when calculating Schedule M2NC, line 5.

*Electing Small Business Trust:* Use this amount when calculating Schedule M2SBNC, line 5.

### Line 5 – Modification of Business Interest Limitation (CARES Act Sec. 2306)

*Individuals:* Include this amount on Schedule M1NC, line 16.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 6.

*Electing Small Business Trust:* Include this amount on Schedule M2SBNC, line 6.

#### Line 6

This line is intentionally left blank.

### Line 7 – Employer Credit for Paid Medical Leave and Employer Payroll Credit for Required Paid Family Leave (FFCRA Sec. 7001, 7003; ARPA Sec. 9641)

*Individuals:* Include this amount on Schedule M1NC, line 18.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 8.

*Electing Small Business Trust:* Include this amount on Schedule M2SBNC, line 8.

#### Line 8

This line is intentionally left blank.

#### Line 9

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#### Line 10

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#### Line 11

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## 2020 Schedule KSNC Instructions (*continued*)

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### **Line 12 – Employee Retention Credit for Employers Affected by Qualified Disasters (TCDTR Sec. 203; TCDTR20 Sec. 303)**

*Individuals:* Include this amount on Schedule M1NC, line 12.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 13.

*Electing Small Business Trust:* Include this amount on Schedule M2SBNC, line 13.

### **Line 13**

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### **Line 14**

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### **Line 15**

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### **Line 16 - Temporary Allowance of Full Deduction for Business Meals (TCDTR20 Sec. 210)**

*Individuals:* Include this amount on Schedule M1NC, line 25.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 17.

*Electing Small Business Trust:* Include this amount on Schedule M2SBNC, line 17.

### **Line 17 – Credit for COBRA Continuation Coverage (ARPA Sec. 9501)**

*Individuals:* Include this amount on Schedule M1NC, line 27.

*Trusts and Estates:* Include this amount on Schedule M2NC, line 18.

*Electing Small Business Trust:* Include this amount on Schedule M2SBNC, line 18.

### **Lines 18 Through 23**

These lines are intentionally left blank.

### **Line 24 – Total**

If the total on this line is a positive number, enter it on Schedule KS, line 9. If the total on this line is a negative, enter it as a positive number on Schedule KS, line 16.