



2021 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 _____, 2021, 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 Employee Retention Credit (CARES Act Sec. 2301) 2 ■ _____ M1NC, Line 11
- 3 This line intentionally left blank 3 ■ _____
- 4 This line intentionally left blank 4 ■ _____
- 5 Modification for 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 Temporary allowance of full deduction for business meals (COVIDTRA Sec. 210) 15 ■ _____ M1NC, Line 25
- 16 Credit for COBRA Continuation Coverage (ARPA Sec. 9501) 16 ■ _____ M1NC, Line 27
- 17 This line intentionally left blank 17 ■ _____
- 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 _____

- 20 This line intentionally left blank. 20 ■ _____
- 21 This line intentionally left blank. 21 ■ _____
- 22 This line intentionally left blank. 22 ■ _____
- 23 This line intentionally left blank. 23 ■ _____
- 24 This line intentionally left blank. 24 ■ _____
- 25 This line intentionally left blank. 25 ■ _____
- 26 This line intentionally left blank. 26 ■ _____
- 27 This line intentionally left blank. 27 ■ _____
- 28 This line intentionally left blank. 28 ■ _____
- 29 This line intentionally left blank. 29 ■ _____
- 30 This line intentionally left blank. 30 ■ _____
- 31 This line intentionally left blank. 31 ■ _____
- 32 Total lines 1-31. If the result is positive, enter it on Schedule KS, line 8.
If the amount is negative, enter it as a positive number on Schedule KS, line 18. 32 ■ _____

You must include this schedule when you file Schedule KS.



2021 Schedule KSNC Instructions

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 – 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 2.

Electing Small Business Trust: Include this amount on Schedule M2SBNC, line 2.

Line 3

This line intentionally left blank.

Line 4

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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 5.

Electing Small Business Trust: Include this amount on Schedule M2SBNC, line 5.

Line 6

This line 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 7.

Electing Small Business Trust: Include this amount on Schedule M2SBNC, line 7.

Line 8

This line intentionally left blank.

Line 9

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Line 10

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Line 11

This line intentionally left blank.

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 12.

Electing Small Business Trust: Include this amount on Schedule M2SBNC, line 12.

2021 Schedule KSNC Instructions (*continued*)

Line 13

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Line 14

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Line 15 - 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 15.

Electing Small Business Trust: Include this amount on Schedule M2SBNC, line 15.

Line 16 – 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 16.

Electing Small Business Trust: Include this amount on Schedule M2SBNC, line 16.

Lines 17 Through 30

These lines are intentionally left blank.

Line 31

This line intentionally left blank.

Line 32 – Total

If the total on this line is a positive number, enter it on Schedule KS, line 8. If the total on this line is a negative, enter it as a positive number on Schedule KS, line 18.