



MISSOURI DEPARTMENT OF REVENUE
**S CORPORATION
 NONRESIDENT FORM**

**1996
 FORM
 MO-NRS**

DLN

COMPLETE THIS FORM ONLY IF THE S CORPORATION HAS ONE OR MORE NONRESIDENT SHAREHOLDERS AND MISSOURI SOURCE INCOME.

BUSINESS NAME	MITS/MO I.D. NUMBER	FEDERAL I.D. NUMBER
---------------	---------------------	---------------------

PART 1 – S CORPORATION’S DISTRIBUTIVE SHARE ITEMS

NONRESIDENT SHAREHOLDER’S NAME

	MISSOURI SOURCE			SOCIAL SECURITY NUMBER	
	(a)	(b)	(c)	(d)	(e)
	FEDERAL SCHEDULE K	AMOUNT	MO %	FEDERAL SCHEDULE K-1	MISSOURI SOURCE
1. Ordinary income (loss) from trade or business activities	00	00		00	00
2. Net income (loss) from rental real estate activities	00	00		00	00
3c. Net income (loss) from other rental activities	00	00		00	00
4. Total portfolio income (loss) total of Federal Form 1120S, Schedules K & K-1, Lines 4a-4f	00	00		00	00
5. Net gain (loss) under section 1231 (other than due to casualty or theft)	00	00		00	00
6. Other income (loss)(attach schedule)	00	00		00	00
7. Charitable contributions (attach schedule)	00	00		00	00
8. Section 179 expense deduction	00	00		00	00
9. Expenses related to portfolio income (loss)	00	00		00	00
10. Other deductions (attach schedule)	00	00		00	00

PART 2 – SHARE OF MISSOURI S CORPORATION ADJUSTMENT – NONRESIDENT SHAREHOLDERS

The lines below and Column (a) correspond to the lines on Form MO-1120S, Part 1.	(a)	(b)	(c)	(d)	(e)
	MISSOURI S CORPORATION ADJUSTMENT	MISSOURI SOURCE	MO %	SHAREHOLDER’S S CORPORATION ADJUSTMENT	MISSOURI SOURCE
ADDITIONS					
3. Net state and local income taxes deducted on Federal Form 1120S	00	00			
6. Net state and local bond interest (except Missouri)	00	00			
7. <input type="checkbox"/> Partnership; <input type="checkbox"/> Fiduciary; <input type="checkbox"/> Other adjustments	00	00			
8. Total of Lines 3, 6 and 7	00	00			
SUBTRACTIONS					
11. Net interest from exempt federal obligations	00	00			
12. Amount of any state income tax refund included in federal ordinary income	00	00			
13. <input type="checkbox"/> Partnership; <input type="checkbox"/> Fiduciary; <input type="checkbox"/> Other adjustments	00	00			
14. Total of Lines 11, 12 and 13	00	00			
15. Missouri S corporation adjustment – NET ADDITION	00	00		00	00
16. Missouri S corporation adjustment – NET SUBTRACTION	00	00		00	00

NOTE: Each item shown in Parts 1 and 2, Columns (d) and (e) should be entered on the appropriate lines of Form MO-NRI of each nonresident shareholder.

PART 3 – ALLOCATION OF INCOME AND DEDUCTIONS – FEDERAL FORM

Lines 1 to 6 (Column a) correspond to Lines 1 to 6 Federal Form 1120S.				(a)	(b)
NOTE: Letter of approval from the Director of Revenue must be attached.				TOTAL FEDERAL RETURN	AMOUNT IN COLUMN (a) FROM MISSOURI SOURCE
1a. Gross receipts or sales \$	1b. Less returns and allowances \$	Balance	1c	00	00
2. Cost of goods sold (Federal Form 1120S, Schedule A, Line 8)				2	00
3. Gross profit (subtract Line 2 from Line 1c)				3	00
4. Net gain (loss) from Federal Form 4797, Part 2, Line 20				4	00
5. Other income (loss) (attach schedule)				5	00
6. Total income (loss) (Combine Lines 3 through 5 and enter here)				6	00
7. Enter total deductions amount from Federal Form 1120S, Line 20				7	00
8. Ordinary income (loss) – subtract Line 7 from Line 6 (Line 8 equals both Federal Form 1120S, Schedule K, Line 1, and Form MO-NRS, Part 1, Line 1, Column (a))				8	00
9. Missouri sources – subtract Line 7 from Line 6				9	00

FORM MO-NRS – S CORPORATION NONRESIDENT

Form MO-NRS must be completed and a copy (or its information) supplied to the nonresident shareholder when the S corporation has: (1) a nonresident shareholder; and (2) the S corporation has income from Missouri sources. Omit Form MO-NRS if all shareholders are Missouri residents.

The nonresident shareholder must report his/her share of the Missouri income and Missouri source modifications indicated on Form MO-NRS on his/her Form MO-1040 and Form MO-NRI. Any questions concerning the Form MO-1040 or Form MO-NRI should be directed to the nearest field office listed on Page 6. Any questions concerning Subchapter S corporation distribution withholding or shareholder composite returns should contact the DEPARTMENT OF REVENUE, TAX ADMINISTRATION BUREAU, P.O. BOX 2200, JEFFERSON CITY, MO 65105-2200 or call (573) 751-1467.

PART 1 – S CORPORATION'S DISTRIBUTIVE SHARE ITEMS

1. Enter nonresident shareholder's name and social security number from Federal Form 1120S, Schedule K-1 for each nonresident. Enter the corporation's federal I.D. number. Complete a separate Form MO-NRS for each nonresident shareholder.
2. Column (a): Enter the amount from Federal Form 1120S, Schedule K. Note that the Form MO-NRS, Part 1, line numbers and items match the Federal Form 1120S, Schedules K and K-1.

Amounts in Column (a) must be analyzed to determine whether all or part of each amount is from Missouri sources. These include amounts attributable to the ownership or disposition of any Missouri property and business income, that is attributable to Missouri sources. Whether nonbusiness income is attributable to Missouri sources is often determined by whether the property sold or producing income was located in Missouri.

Business or ordinary income is wholly attributable to Missouri if the business is only carried on in Missouri. If not carried on only in Missouri the income must be divided between Missouri and other states. See instructions for Part 3 and Form MO-MSS.

3. Column (b): Multiply the amount in Column (a) times the percent in Column (c) and enter in Column (b).
4. Column (c): Enter the percent from Form MO-MSS.

5. Column (d): Enter the amount from Federal Form 1120S, Schedule K-1 for each nonresident shareholder.
6. Column (e): Multiply the amount in Column (d) times the percent in Column (c).

NOTE: The items from Form MO-NRS, Part 1, Column (e), that are to be income or losses should be entered on the Form MO-NRI, Column (b). These amounts must be adjusted by any capital gain or passive loss limitation as required.

PART 2 – SHARE OF MISSOURI S CORPORATION ADJUSTMENT – NONRESIDENT SHAREHOLDERS

Omit Part 2 of Form MO-NRS if Parts 1 and 2 of Form MO-1120S were not completed.

1. Column (a): Copy amounts from MO-1120S, Part 1.
2. Columns (b) and (c): Amounts in Column (a) must be analyzed to determine whether all or part of each amount is from Missouri sources. See instructions for Part 3 and Form MO-MSS.
3. Column (d): Copy amount of each nonresident shareholder's S corporation adjustment from Form MO-1120S, Part 2, Column 5.
4. Column (e): Enter in Column (e) the portion of the amount in Column (d) that is from Missouri sources. Generally, this is determined by multiplying each shareholder's Column (d) amount by the percent in Column (c). Attach a detailed explanation if any other method is used.

PART 3 – ALLOCATION OF INCOME AND DEDUCTIONS – FEDERAL FORM

Part 3, Allocation of Income and Deductions, is provided for use if accompanying records clearly reflect income from Missouri sources on an approved direct or separate accounting basis (See Section 143.461.2, RSMo 1994). **A letter of approval from the Director of Revenue must be attached.** The amount on Form MO-NRS, Part 3, Line 9, indicates the Missouri source amount to be entered in Part 1, Line 1, Column (b). Column (b) is divided by Column (a) and the percentage is entered on Form MO-NRS, Part 1 and 2 Column (c). If Part 3 is not applicable, complete Form MO-MSS, S Corporation Allocation and Apportionment Form.

FORM MO-MSS – S CORPORATION ALLOCATION AND APPORTIONMENT FORM

When Form MO-NRS, Part 3, is not applicable, all business income should be apportioned by using the Form MO-MSS that contains the single factor apportionment method and the Multistate Tax Compact three factor apportionment method. The single factor relies solely on sales. The three factor contains (1) Property, (2) Payroll and (3) Sales. If utilizing the single factor apportionment method, complete Part 1 and Part 3, if applicable. If utilizing the three factor apportionment method, complete Part 2 and Part 3, if applicable. Attach Form MO-MSS to Form MO-1120S. Enter the

percentage from either Part 1, Line 7, or Part 2, Line 4, on Form MO-NRS Part 1, Line 1, Column (c). Line 1, Column (b) is computed by multiplying the percentage in Column (c) times the amounts in Column (a). The percentage is also entered in other lines on Column (c) if the items are integral parts of the business. As noted on the Form MO-MSS, special methods three to seven may be used. Attach a detailed explanation to the Form MO-1120S when utilizing these methods.