Form
**MO-MSS**

Missouri Department of Revenue
**S Corporation Allocation and Apportionment Schedule**

Department Use Only (MM/DD/YY)

Attachment Sequence No. 1120S-02

Taxable Year Beginning (MM/DD/YY) Ending (MM/DD/YY)

Missouri Tax I.D. Number

Do not complete this form if all income is from Missouri sources.

Federal Employer I.D. Number

Charter Number

Corporation Name

## Apportionment Election

Missouri Statutes provide eight methods of determining Missouri taxable income from Missouri sources. Select only one of the eight boxes and enter the method and the percentage calculated on **Form MO-NRS**, Parts 1 and 2, Column (c).

☐ One - Multistate Allocation and Three Factor Apportionment - Multistate Tax Compact - **Section 32.200, RSMo** - (Complete Parts 3 and 1)

☐ Two - Business Transaction Single Factor Apportionment - **Section 143.451.2(2), RSMo** - (Complete Parts 3 and 2)

☐ Two A - Optional Single Sales Factor Apportionment - **Section 143.451.2(3), RSMo** - (Complete Parts 3 and 2)

Special Methods - Attach Detailed Explanation

☐ Three - Transportation - **Section 143.451.3, RSMo**

☐ Four - Railroad - **Section 143.451.4, RSMo**

☐ Five - Interstate Bridge - **Section 143.451.5, RSMo**

☐ Six - Telephone and Telegraph - **Section 143.451.6, RSMo**

Note: Complete mileage information below for Method Three - Six and enter the percentage on Form MO-NRS, Parts 1 and 2, Column (c).

| Missouri Miles | | Total Miles | | Percent |
|---|---|---|---|---|
| | ÷ | | = | . % |

☐ Seven - Other Approved Method - **Section 143.461.2, RSMo**. Letter of Approval from the Director of Revenue must be attached.

## Part 1 - Three Factor Apportionment Method Schedule

| | Total Missouri (a) | Total Everywhere (b) | Percent within Missouri (a) ÷ (b) |
|---|---|---|---|
| 1. Average yearly value of real and tangible personal property used in the business, whether owned or rented. Owned property: (at original cost, see instructions) (Exclude property not connected with the business and value of construction in progress.) | | | |
| Land | .00 | .00 | |
| Depreciable assets | .00 | .00 | |
| Inventory and supplies | .00 | .00 | |
| Other (attach schedule) | .00 | .00 | |
| Net rent, times eight | .00 | .00 | |
| Total Property Values | .00 | .00 | 1 . % |
| 2. Wages, salaries, commissions, and other compensation of employees related to business income | | | |
| Total Wages and Salaries | .00 | .00 | 2 . % |

Round all percentages on this form to three digits to the right of the decimal.

3. Sales (gross receipts, less returns and allowances):

a) Sales delivered or shipped to Missouri purchasers:

1) Shipped from outside Missouri . . . . . .00

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**Part 1 Continued**

2) Shipped from within Missouri . . . . . .

b) Sales from Missouri to:

1) the United States Government . . . . .

2) purchasers in a state where the taxpayer would not be taxable (e.g., under Public Law 86-272) . . . .

c) Other gross receipts (rents, royalties, interest, etc.) . . . . . .

Total Sales . . . . . .

4. Apportionment Factor - add percentages on Lines 1, 2, and 3, and divide by factors present (see instructions). Enter on Form MO-NRS, Parts 1 and 2, Column (c)..... 4 . %

**Part 2 - Single Factor Apportionment**

- Enter on Line 1 the amount of sales which are transacted wholly in Missouri. Enter on Line 1a the amount of sales in Missouri.
- Enter on Line 2 the amount of sales which are transacted partly within Missouri and partly without Missouri.
- Enter on Line 3 the amount of sales which are transacted wholly without Missouri.
- In determining income from Missouri sources in cases where sales do not express the volume of business, enter on Line 1 the amount of business transacted wholly in Missouri and enter on Line 2 the amount of business transacted partly in Missouri and partly outside Missouri.
- Enter on Line 4a the amount of total sales.
- Attach an explanation reconciling Line 4 or Line 4a with specific data on Federal Form 1120S.

| Method Two<br>Business Transaction Single Factor Apportionment | | Method Two A<br>Optional Single Sales Factor Apportionment | |
|---|---|---|---|
| 1. Amount of sales wholly in Missouri . . . | . 00 | 1a Amount of sales wholly in Missouri . . . . . | . 00 |
| 2. Amount of sales partly within and partly without Missouri. . . . . | . 00 | | |
| 3. Amount of sales wholly without Missouri. . . . . | . 00 | | |
| 4. Total amount - all sources - Add Lines 1, 2, and 3 . . . . . | . 00 | 4a. Amount of total sales . . . . . | . 00 |
| 5. One-half of Line 2 . . . . . | . 00 | | |
| 6. Total amount Missouri - Add Lines 1 and 5 . . . . . | . 00 | | |
| 7. Missouri single factor apportionment fraction (Divide Line 6 by Line 4) Enter on Form MO-NRS, Parts 1 and 2, Column (c) . . . . . | . % | 7a. Missouri optional single sales factor apportionment fraction (Divide Line 1A by Line 4A), Enter on Form MO-NRS Parts 1 and 2, Column (c) . . . . | . % |

**Part 3 - Nonbusiness Income Allocation**

Directly allocable nonbusiness income. Do not allocate expenses that have been excluded from federal taxable income.
All income is presumed to be business income unless you can clearly show the income to be nonbusiness income.

| | Allocation of Nonbusiness Income | | | | | |
|---|---|---|---|---|---|---|
| | Gross Income | | Directly Related Expenses | | Indirectly Related Expenses | |
| | (1) Everywhere | (2) Missouri | (3) Everywhere | (4) Missouri | (5) Everywhere | (6) Missouri |
| 1. Interest income..... | 00 | 00 | 00 | 00 | 00 | 00 |
| 2. Royalties..... | 00 | 00 | 00 | 00 | 00 | 00 |
| 3. Rents..... | 00 | 00 | 00 | 00 | 00 | 00 |
| 4. Net capital gains..... | 00 | 00 | 00 | 00 | 00 | 00 |
| 5. Dividends..... | 00 | 00 | 00 | 00 | 00 | 00 |
| 6. Total each column.. | 00 | 00 | 00 | 00 | 00 | 00 |

Form MO-MSS (Revised 12-2016)

**Attach to Form MO-1120S and mail to the Missouri Department of Revenue.**

**Balance Due:**
P.O. Box 3365
Jefferson City, MO 65105-3365

**Refund or No Amount Due:**
P.O. Box 700
Jefferson City, MO 65105-0700

## Allocation and Apportionment of Share Items

The following steps must be followed for each distributive share item that is being allocated as nonbusiness income. Attach an explanation and computations detailing the nature of the nonbusiness or Missouri source income.

Example: Assume $15,000 in total rents of which $12,000 is business income and $3,000 is nonbusiness of which $1,000 is directly allocated to Missouri income. Assume an apportionment factor of 33.333% (from Part 1, Line 4 or Part 2, Line 7 or Line 7a):

| Step | | |
|---|---|---|
| 1 | $15,000 | Total rents |
| 2 | – 3,000 | Allocated to Missouri as nonbusiness or Missouri source income |
| | $12,000 | Business income |
| 3 | $12,000 | X 33.333% = $4,000 |
| 4 | $1,000 | Missouri source income |
| 5 | + $4,000 | From Step 3 |
| | $5,000 | Enter on Form MO-NRS, Part 1, Line 3, Column (b). |
| 6 | $5,000/15,000 = 33.333% | This percentage is entered on Form MO-NRS, Part 1, Line 3, Column (c). |

## Apportionment of Partnership Interest

Example: Assume S corporation's only activity is a 10 percent ownership in partnership. Partnership's Form MO-MSS reflects single factor with $1,000,000 as wholly within and $275,000 as partly within. S corporation method 2 Single Method Apportionment is calculated as follows:

| | | | |
|---|---|---|---|
| 1. | Amount wholly in Missouri ($1,000,000 x .10) | = | $100,000 |
| 2. | Amount wholly within and without Missouri ($275,000 x .10) | = | $27,500 |
| 3. | Amount wholly without Missouri (0 x .10) | = | $0 |
| 4. | Total amount (all source) = $127,500 | | |
| 5. | One half of Line 2 | = | $13,750 |
| 6. | Total Amount (Missouri) add Line 1 and Line 5 | = | $113,750 |
| 7. | Missouri Single Factor Apportionment (Divide Line 6 by Line 4) Enter on Form MO-NRS, Parts 1 and 2, Column (e). | = | 89.216% |

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