Corporations may file Missouri MO-1120S Corporation Income tax returns electronically in conjunction with the IRS through Modernized E-File (MeF). This system has been developed through a cooperative effort between the IRS, states, and the software community. The system uses the latest electronic technology and industry standards. Corporations may visit the Department’s website at http://dor.mo.gov/business/corporate/efile.php for more information regarding electronic filing as well as a list of approved vendors that support corporate electronic filing. Corporations may choose from the following filing methods:

1. Federal and State Corporation tax returns may be prepared and filed electronically by an IRS approved Electronic Return Originator (ERO). Corporations may visit https://www.irs.gov/e-file-providers/authorized-irs-e-file-provider-locator-service-for-tax-professionals to find a participating ERO.

2. State Corporation MO-1120S returns can be prepared and transmitted as a stand-alone state return through an IRS approved ERO.

**Benefits of Electronic Filing**

- Convenience
- Security
- Proof of Filing
- Direct Deposit of Refunds
- Greater Accuracy

**FORM MO-1120S**

**S CORPORATION TAX RETURN**

This information is for guidance only and does not state the complete law.

**Who Must File Form MO-1120S**

S Corporation Income Tax: Every S corporation must file Form MO-1120S if they file Federal Form 1120S and the S corporation has:

1. a shareholder that is a Missouri resident; or
2. any income derived from Missouri sources (Section 143.471, RSMo). Attach a copy of Federal Form 1120S and all Schedule K-1(s).

Administrative Dissolution: If a corporation required to file corporation income tax, fails to file within 90 days from the original due date (or 90 days from the extension due date), it shall forfeit its charter (or Certificate of Authority for a foreign corporation) in this state under the provisions of Section 351.486 and 351.602, RSMo.

Missouri Registration: Every S corporation must register with the Department of Revenue to receive a Missouri Tax Identification Number. To register, contact: Missouri Department of Revenue, Taxation Division, P.O. Box 3300, Jefferson City, MO 65105-3300, visit our website at http://dor.mo.gov/, or call Business Registration at (573) 751-5860.

**Time and Place of Filing**

S Corporation Income Tax: S corporation return is due on or before the 15th day of the fourth month following the end of the tax year. Example: Taxable period of January 1, 2019, to December 31, 2019; due April 15, 2020.

Note: When the due date falls on a Saturday, Sunday, or legal holiday, the return will be considered timely filed on the next business day.

Mail your return to: Missouri Department of Revenue, P.O. Box 700, Jefferson City, MO 65105-0700.

**Period Covered by the Return**

Form MO-1120S must cover the same period as the corresponding Federal Form 1120S. Indicate the period covered on the front of the return.

**Reportable Transaction Disclosure Statement Federal Form 8886**

Every corporation must include with the Missouri return a copy of each Federal Form 8886 that was filed with the IRS as part of its federal return.

**Extension of Time to File**

If an S corporation has been granted an extension of time to file its federal income tax return, the time for filing the Missouri corporation income tax return is automatically extended. Select the box at the top of the form indicating you have an approved federal extension and attach a copy of the Federal Extension Form 7004 to the MO-1120S. (Failure to check this box may result in disallowing the extension.)

**Contact Information**

If you have questions, you may contact Corporate Tax at (573) 751-4541 or by e-mail at corporate@dor.mo.gov.

**Nonresident Shareholders**

Every S corporation must file Form MO-1NR, Income Tax Withheld for Nonresident Individual Partners or S Corporation Shareholders and send in copies of Form MO-2NR, Statement of Income Tax Payments for Nonresident Individual Partners or S Corporation Shareholders if they have nonresident individual shareholders who do not meet one of the following exceptions:

- the nonresident shareholder, not otherwise required to file a return, elects to have the Missouri income tax due paid as part of the S corporation’s composite return;
- the nonresident shareholder, not otherwise required to file a return, had Missouri assignable federal adjusted gross income from the S corporation of less than $1,200 dollars;
- the S corporation is liquidated or terminated, income was generated by a transaction related to termination or liquidation, and no cash or property was distributed in the current or prior taxable year.

Pursuant to Section 143.411, RSMo, a nonresident shareholder can request the S corporation be exempt from withholding by filing a completed Form MO-3NR, Partnership or S Corporation Withholding Exemption or Revocation Agreement.

Form MO-1NR must be filed by the due date or extended due date for filing the S corporation income tax return. Form MO-3NR must be filed by the due date for filing the S corporation income tax return without regard to an extension of time to file.

Forms may be obtained by writing the Missouri Department of Revenue, Taxation Division, P.O. Box 3022, Jefferson City, MO 65105-3022 or visiting our website at http://dor.mo.gov/.

If you have technical questions concerning the filing of Form MO-1NR and Form MO-3NR or are filing a composite return and you have questions, contact the Taxation Division at (573) 751-1467.

**S Corporation Adjustments**

Each S corporation, having modifications, must complete the Form MO-1120S, Pages 1 and 2, Lines 1–15 and Page 3, the Allocation of Missouri S Corporation Adjustment to Shareholders, and notify each shareholder of the adjustments to which he or she is entitled. Missouri income tax law provides adjustments to a shareholder’s share of the S corporation income included in his or her individual federal income tax return in order to properly determine his or her individual Missouri adjusted gross income reported on Form MO-1040. A copy of the Form MO-1120S must be provided to each shareholder.
Additions
Line 1 — Missouri Corporation Income Tax & Corporation Income Tax of Other States Deducted in Determining Federal Taxable Income

- Enter on line 1a the amount of Missouri corporation income tax deducted on Federal Form 1120S (Section 143.141(1), RSMo), and the amount of corporation income taxes from other states, their subdivisions, and the District of Columbia deducted on Federal Form 1120S (12 CSR 10-2.160 and Section 143.141(2), RSMo).

Do not include St. Louis or Kansas City earnings taxes. A schedule must be attached showing the breakdown of taxes on Federal Form 1120S.

Corporation tax of the following states taken as a deduction in determining federal taxable income, must be included on Line 1a:

- Alabama
- Alaska
- Arizona
- Arkansas
- California
- Colorado
- Delaware
- Florida
- Georgia
- Hawaii
- Idaho
- Illinois
- Indiana
- Iowa
- Kansas
- Kentucky
- Louisiana
- Maine
- Maryland
- Michigan
- Minnesota
- Mississippi
- Missouri
- Montana
- Nebraska
- Nevada
- New Mexico
- New York
- North Carolina
- North Dakota
- Oklahoma
- Oregon
- Pennsylvania
- Rhode Island
- South Carolina
- South Dakota
- Tennessee
- Texas
- Utah
- Vermont
- Virginia
- Washington
- West Virginia
- Wyoming
- Delaware
- District of Columbia

- Enter on Line 1b the amount of Kansas City and St. Louis earnings tax.

Line 2 — State and Local Bond Interest (Except Missouri)

- Enter on Line 2a all interest from state and local bonds, excluding Missouri (Section 143.121.2(2), RSMo).

- Enter on Line 2b the amount of expenses associated with the state and local bond interest. The expenses must exceed $500. Refer to Section 143.121.2(2), RSMo, for further explanation.

Line 3 — Fiduciary and Partnership Adjustment (From Form MO-1041 and Form MO-1065)

- Enter the share of fiduciary and partnership adjustment as shown on Form MO-1041, Page 2, Part 1, Line 19, and Form MO-1065, Line 17 (Section 143.121.4 and 5, RSMo). A copy of Forms MO-1041 and MO-1065 must be attached.

Line 4 — Donations Claimed For The Food Pantry Tax Credit That Were Deducted From Federal Taxable Income

- Enter the total amount of donations claimed for the Food Pantry Tax Credit that were also taken as a deduction on the Federal Form 1120S return (Section 143.121.3(7), RSMo).

Line 5 — Total

Enter the total of Line 1 through Line 4.

Subtractions
Line 6 — Interest and Dividends From Exempt Federal Obligations (Must attach schedule)

- Line 6a: Enter the amount of interest and dividends from federal obligations to the extent they are exempt from Missouri income tax, but subject to federal tax (12 CSR 10-2.150 and Section 143.121.3(1), RSMo). A detailed list showing the amount of monies received or the percentage of funds received from direct U.S. Government obligations must be attached to Form MO-1120S.

- Line 6b: Enter the amount of interest on indebtedness and expenses associated with the production of interest and dividend income on federal obligations shown on Line 6a. The expenses must exceed $500. Refer to Section 143.121.3(1), RSMo, for further explanation.

In arriving at the amount of related expenses, the taxpayer may use actual expenses or a reasonable estimate. In general, the taxpayer should use the same or similar method used to compute related expenses for federal income tax purposes, provided that the method reasonably reflects related expenses for Missouri exempt income.

If a taxpayer fails to compute reasonable related expenses, the Director of Revenue will make adjustments based on the information made available. If sufficient information is not made available or if the taxpayer’s records do not provide sufficient information, the Director of Revenue will use the following formula to compute related expenses:

\[
\text{Exempt income} \times \text{Expense items} = \text{Reduction to exempt income}
\]

Enter the amount of any state income tax refund for a prior year that was included in the federal taxable income for the current year (Section 143.121.3(5), RSMo).

Line 7 — Federally Taxable — Missouri Exempt Obligation

Enter the amount of any bond issued by the Missouri Higher Education Loan Authority (MOHELA) including interest or proceeds resulting from the sale of the bond is exempt from Missouri tax. If the amount is included in federal taxable income, the amount can be subtracted from federal taxable income for Missouri tax purposes pursuant to Section 173.440, RSMo. Enter the exempt amount on Line 8 and provide documentation with the return.

Line 9 — Fiduciary and Partnership Adjustment (from Form MO-1041 and Form MO-1065), Build America and Recovery Zone Bond Interest, Missouri Public-Private Transportation Act, Other

Enter the share of fiduciary and partnership adjustment as shown on Form MO-1041, Page 2, Part 1, Line 19 and Form MO-1065, Line 17 (Section 143.121.4 and 5, RSMo). A copy of Forms MO-1041 and MO-1065 must be attached.

- Build America and Recovery Zone Bond Interest - Enter the share of Build America and Recovery Zone Bond interest received (Section 108.1020, RSMo).

- Missouri Public-Private Partnerships Transportation Act - Enter the share of income received under the Missouri Public-Private Transportation Act (Section 227.646, RSMo).

Line 10 — Missouri Depreciation Basis Adjustment

Enter the difference between the federal and Missouri depreciation calculated on assets purchased between July 1, 2002 and June 30, 2003. See Section 143.121.3(7), RSMo for more information.

Line 11 — Depreciation Recovery on Qualified Property that is Sold

Enter any depreciation that was previously not recovered when an asset is sold or otherwise disposed of and federal bonus depreciation was previously taken (Section 143.121.3(9), RSMo).

Line 12 — Total

Enter the total of Line 6 through Line 11.

Line 13 — Missouri S Corporation Adjustment — Net Addition

Enter the excess of Line 5 over Line 12.

Line 14 — Missouri S Corporation Adjustment — Net Subtraction

Enter the excess of Line 12 over Line 5.

Line 15 — Agriculture Disaster Relief

Enter the amount of income your corporation received as payment from any program which provides compensation to agricultural producers who have suffered a loss as the result of a disaster or emergency (Section 143.121.3(10), RSMo). You must attach a copy of the Form 1099 indicating your agricultural payment. For more information, visit http://dor.mo.gov.
Authorization
Check the “yes” box for authorization of release of confidential information. This authorizes the Missouri Director of Revenue or delegate to discuss this return and attachments with the preparer whose signature appears on the Form MO-1120S or with any member of his or her firm or if internally prepared, any member of the internal staff. If the authorization box is checked “no,” or if no box is checked, the Missouri Director of Revenue or delegate can only discuss this return with an officer of the corporation. Refer to Section 32.057, RSMo.

Signature
The Department of Revenue requires the return to be signed by an officer of the corporation. Enter the date signed, the title of the officer whose signature is affixed, and the corporation’s telephone number. Lines are provided for the preparer’s signature (other than taxpayer), Federal Identification Number, telephone number, and date. Failure to sign the return will cause a delay in the processing of the return.

Assemble Your Return
Assemble any forms and schedules behind Form MO-1120S in order of the “Attachment Sequence No.” shown in the upper corner of the form and schedule. Put forms without an attachment sequence number next. If you have supporting documentation, arrange in the same order of forms and schedules they support and attach them last. Do not attach items unless required to do so.

Form MO-MSS S Corporation Allocation and Apportionment Form
Use Form MO-MSS to apportion all business income by using the single factor apportionment method, optional single sales factor apportionment method, or the three factor apportionment method. The single factor and optional single sales factor rely solely on sales. The three factor contains (1) Property, (2) Payroll, and (3) Sales. If utilizing the single factor apportionment method or optional single sales factor, complete Part 2 and Part 3, if applicable. If utilizing the three factor apportionment method, complete Part 1 and Part 3, if applicable. Attach Form MO-MSS to Form MO-1120S. Enter the percentage from Part 1, Line 4, or Part 2, Line 7 or Line 7a, 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.

Calculate the apportionment factor by adding the percentage of ownerships in partnerships factors to the S corporation’s factors. Pursuant to Section 32.200, RSMo. Article IV, 2, financial organizations, personal service corporations and public utilities cannot elect to use apportionment method one. They will need to elect one of the other available methods.

Form MO-MSS Three Factor Apportionment
Instructions
Any taxpayer having income from business activity which is taxable both within and without this state, other than activity as a financial organization or public utility or the rendering of purely personal services by an individual, shall allocate and apportion his or her net income as provided in Section 32.200, RSMo. If a taxpayer has income from business activity as a public utility but derives the greater percentage of his or her income from activities subject to Section 32.200, Article IV, RSMo, the taxpayer may elect to allocate and apportion his or her entire net income as provided in Section 32.200, RSMo.

Application of Multistate Tax Compact
A taxpayer must have income from business activity taxable by this state and at least one other state, to allocate and apportion income. Income from business activities includes business and nonbusiness income. The taxpayer’s income will be allocated and apportioned in accordance with the Multistate Tax Compact.
by the taxpayer, less total annual rental rate received by the taxpayer from sub rentals. As a general rule the average value of property owned by the taxpayer is determined by averaging the values at the beginning and end of the income year. However, the Director of Revenue may require averaging by monthly values if this method of averaging is reasonably required to properly reflect the average value of the taxpayer’s property for the income year.

Payroll Factor The payroll factor includes only compensation that is attributable to the business income subject to apportionment. The compensation of any employee whose activities are connected primarily with nonbusiness income shall be excluded from the factor.

The numerator of the payroll factor is the total amount paid in this state during the income year by the taxpayer for compensation. The numerator includes the gross receipts from the rental, lease or licensing the use of goods and products. Gross receipts for this purpose means gross sales, less returns and allowances, and includes all interest income, service charges, carrying charges, or time-price differential charges incidental to such sales, regardless of the place where the accounting records are maintained or the location of the contract or other evidence of indebtedness. Gross receipts from the sales of tangible personal property (except sales to the United States Government) are in this state if the property is delivered or shipped to a purchaser within this state, regardless of the f.o.b. point or other conditions of sale; or if the property is shipped from an office, store, warehouse, factory, or other place of storage in this state and the taxpayer is not taxable in the state of the purchaser.

Sales to the United States Government: Gross receipts from the sales of tangible personal property to the United States Government are in this state if the property is shipped from an office, store, warehouse, factory, or other place of storage in this state. Only sales for which the United States Government makes direct payment to the seller pursuant to the terms of its contract constitute sales to the United States Government.

Sales other than sales of tangible personal property are in this state if:

(a) the income-producing activity is performed in this state; or
(b) the income-producing activity is performed both within and without this state and a greater proportion of the income-producing activity is performed in this state than in any other state, based on costs of performance.

Allocation of Nonbusiness Income For this purpose “commercial domicile” means the principal place from which the trade or business of the taxpayer is directed or managed. Rents and royalties from real or tangible personal property, capital gains, interest, or patent or copyright royalties, to the extent that they constitute nonbusiness income shall be allocated as follows:

(a) Net rents and royalties from real property located in this state are allocable to this state.
(b) Net rents and royalties from tangible personal property are allocable to this state: (1) if and to the extent that the property is utilized in this state; or (2) in their entirety if the taxpayer’s commercial domicile is in this state and the taxpayer is not organized under the laws of, or taxable in, the state in which the property is utilized. The extent of utilization of tangible personal property in a state is determined by multiplying the rents and royalties by a fraction, the numerator of which is the number of days of physical location of the property in the state during the rental or royalty period in the taxable year and the denominator of which is the number of days of physical location of the property everywhere during all royalty or rental period during the taxable year. If the physical location of the property during the rental or royalty period is unknown or unascertainable by the taxpayer, tangible personal property is utilized in the state in which the property was located at the time the rental or royalty payor obtained possession.
(c) Capital gains and losses from sales of real property located in this state are allocable to this state.
(d) Capital gains and losses from sales of tangible personal property are allocable to this state if: (1) the property had a situs in this state at the time of the sale; or (2) the taxpayer’s commercial domicile is in this state and the taxpayer is not taxable in the state in which the property had a situs.
(e) Certain capital gains and losses from sales of intangible personal property are allocable to this state if the taxpayer’s commercial domicile is in this state.
(f) Certain interest and dividends are allocable to this state if the taxpayer’s commercial domicile is in this state.
(g) Patent and copyright royalties are allocable to this state: (1) if and to the extent that the patent or copyright is utilized by the taxpayer in this state; or (2) if and to the extent that the patent or copyright is utilized by the taxpayer in a state in which the taxpayer is not taxable and the taxpayer’s commercial domicile is in this state. A patent is utilized in a state to the extent that it is employed in production, fabrication, manufacturing, or other processing in the state or to the extent that a patented product is produced in the state. A copyright is utilized in a state to the extent that printing or other publication originates in the state. If the basis of receipts from patent royalties or copyright royalties does not permit allocation to states or if the accounting procedures do not reflect states of utilization, the patent or copyright is utilized in the state in which the taxpayer’s commercial domicile is located.

Final Checklist Before Mailing

☐ Did an officer of the corporation sign Form MO-1120S?

☐ Did you review your completed return?

☐ Are the corporation name, address, and I.D. numbers correctly shown on the return?

☐ Are your beginning and ending filing periods shown on the Form MO-1120S?

☐ Have you verified all math calculations?

☐ Did you receive a federal extension of time to file your return? If so, have you attached a copy of the federal extension (Federal Form 7004) and checked the box on the first page of the MO-1120S?

☐ Have you attached a copy of the federal form and supporting schedules?

☐ Have you addressed your envelope to the proper address?

☐ Did you enter your Missouri Tax I.D. Number? If you do not know your Missouri Tax I.D. Number, an officer must call Business Registration at (573) 751-5860.

☐ Did you enter your Charter Number? If you do not know your Charter Number, call (866) 223-6535.