

Electronic Filing Options for S-Corporation Tax Returns

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 GENERAL INFORMATION

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

Filing Requirements for Form MO-1120S

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 <https://dor.mo.gov/registerbusiness/> 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, 2020, to December 31, 2020; due April 15, 2021.

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 336, Jefferson City, MO 65105-0336.

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 online at our website at <https://dor.mo.gov/forms/>.

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 or by e-mail at corporate@dor.mo.gov.

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.



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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 | Georgia (excludes net worth tax) | Kentucky | Nebraska | South Carolina (excludes capital stock tax) |
| Alaska | Hawaii | Louisiana | New Mexico | South Dakota |
| Arizona | Idaho | Maine | North Carolina | Tennessee (excise tax) |
| Arkansas | Illinois (includes replacement tax) | Maryland | North Dakota | Texas |
| California (income and franchise tax) | Indiana | Michigan | Oklahoma | Utah |
| Colorado | Iowa | Minnesota | Oregon | Vermont |
| Delaware | Kansas | Mississippi | Pennsylvania | Virginia |
| Florida | | Missouri | Rhode Island | West Virginia |
| | | Montana | | |

- 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 11 ([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 135.647, 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:

$$\text{Exempt income} \times \frac{\text{Expense items}}{\text{Total income}} = \text{Reduction to exempt income}$$

The principal expense item in this formula is interest expense; however, the Director of Revenue may include other expense items because of their direct relationship to the production of exempt income. The taxpayer may propose an alternative method provided that it properly reflects the amount of related expenses.

Enter on Line 6 the net amount of Line 6a less Line 6b.

Line 7 — Amount of Any State Income Tax Refund Included in Federal Taxable 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 8 — 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 20 and Form MO-1065, Line 12 (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>.



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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 in order behind Form MO-1120S. 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 allocate and apportion income by using the Receipts Factor Apportionment Method or other appropriate method. If utilizing the Receipts Factor Apportionment Method, complete Part 1. Attach Form MO-MSS to Form MO-1120S. Enter the percentage from Part 1, Line 3 on Form [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 the other lines on Column (c). If a distributive share item is wholly or partially allocated as nonapportionable income, a different percentage will be computed for the item, following the steps listed on Form MO-MSS. 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.

Apportionment Election

For tax years beginning on or after January 1, 2020, Missouri statutes provide a number of methods for determining Missouri taxable income from Missouri sources.

[Method Two A Receipts Factor Apportionment](#) — [Section 143.455.2, RSMo](#). See instructions for completing Method Two A.

[Method Three Transportation](#) — [Section 143.455.14, RSMo](#). A detailed explanation must be attached.

[Method Four Railroad](#) — [Section 143.455.15, RSMo](#). A detailed explanation must be attached.

[Method Five Interstate Bridge](#) — [Section 143.455.16, RSMo](#). A detailed explanation must be attached.

[Method Six Telephone and Telegraph](#) — [Section 143.455.17, RSMo](#). A detailed explanation must be attached.

[Method Seven Other Approved Method](#) — This method can only be used with prior approval from the Missouri Director of Revenue pursuant to [Section 143.461.2](#) or [143.455.13\(2\), RSMo](#), with an attached letter of approval, or pursuant to a Missouri regulation creating an alternative industry-specific method under Section [143.455.13\(1\), RSMo](#), with an attached detailed explanation.

Method Two A Receipts Factor Apportionment Instructions

A taxpayer must have income from more than one state in order to apportion and allocate income. Income from business activity includes apportionable and nonapportionable income. The taxpayer’s income will be allocated and apportioned according to [Section 143.455, RSMo](#). The taxpayer must determine which portion of the taxpayer’s federal taxable income constitutes “nonapportionable income.” The various items of nonapportionable income are directly allocated to specific states, which may include Missouri. The apportionable income of the taxpayer is divided between states by using the receipts factor. Items of nonapportionable income may be reported on Form MO-MSS.

Apportionable and Nonapportionable Income Defined

“Apportionable income” means all income that is apportionable under the Constitution of the United States and is not allocated under the laws of this state. Apportionable income includes, but is not limited to, income arising from transactions and activity in the regular course of the corporation’s trade or business. Apportionable income also includes, but is not limited to, income arising from tangible and intangible property if the acquisition, management, employment, development, or disposition of the property is or was related to the operation of the corporation’s trade or business. “Nonapportionable income” means all income other than apportionable income. The classification of income by the labels customarily given them, such as interest, dividends, rents, and royalties, is not conclusive in determining whether the income is apportionable or nonapportionable income.

Taxable in Another State

A taxpayer is “taxable in another state” if it meets either one of two tests: (a) if by reason of business activity in another state the taxpayer is subject to one of the types of taxes specified, namely: a net income tax, a franchise tax measured by net income, a franchise tax for the privilege of doing business, or a corporate stock tax; or (b) if another state has jurisdiction to subject the taxpayer to a net income tax, regardless of whether or not that state imposes such a tax on the taxpayer. The first test is applicable only if a taxpayer carries on business activities in another state. If the taxpayer voluntarily files and pays one or more of such taxes when not required to do so by the laws of that state or pays a minimal fee for qualification, organization, or for the privilege of doing business in that state, but: (a) does not actually engage in business activities in that state; or (b) does actually engage in some activity, not sufficient for nexus, and the minimum tax bears no relation to the corporation’s activities within such state, the taxpayer is not “taxable” in another state. The second test applies if the taxpayer’s business activities are sufficient to give the state jurisdiction to impose a net income tax under the Constitution and statutes of the United States. Jurisdiction to tax is not present where the state is prohibited from imposing the tax by reason of the provisions of Public Law 86-272, 15 U.S.C.A. Sections 381–385.

Lines 1, 2, and 3 – Receipts Factor

Complete Part 1, Lines 1 through 3.

- The denominator of the receipts factor is generally all gross receipts received by a taxpayer from transactions and activity in the regular course of its trade or business. However, receipts from hedging transactions or from the maturity, redemption, sale, exchange, loan, or other disposition of cash or securities (e.g. stocks, stock options, bonds) must not be included in either the numerator or denominator of the receipts factor. The numerator of the receipts factor is generally all gross receipts in Missouri from transactions and activity in the regular course of the taxpayer’s trade or business.



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- Tangible Personal Property Receipts from the sale of tangible personal property are in this state if the property is received in Missouri by the purchaser. Receipts from the rental, lease, or license of tangible personal property are in this state to the extent that the tangible personal property is located in Missouri.
- Real Property Receipts from the sale, rental, lease, or license of real property are in this state to the extent that the real property is located in Missouri.
- Services Receipts from the sale of a service are in this state if and to the extent that the ultimate beneficiary is in Missouri. Generally, the ultimate beneficiary of the service (except for bartering and similar in-kind transactions) is the entity that receives benefit or value from, but does not also receive monetary or credit-based payment in direct connection with, the service at issue (other than refunds, cashback, or discount-equivalents). In the event that the ultimate beneficiary is a corporate or other entity that owns or operates in locations in multiple states, and the extent to which the ultimate beneficiary is located in Missouri cannot reasonably be determined, the extent to which the ultimate beneficiary is located in Missouri may be reasonably approximated as follows: The ratio of the number of Missouri locations, which the ultimate beneficiary owns or operates in, to the number of such locations throughout the United States.
- If the ratio above cannot reasonably be determined, then the ratio of one to the number of states in which the ultimate beneficiary operates.
- If the ratio above cannot reasonably be determined, then fifty percent (50%). A taxpayer will not be subject to an addition to tax for negligence in relying upon this approximation of fifty percent (50%).
- Rental, Lease, or License of Intangible Property Receipts from the rental, lease, or license of intangible property are in this state to the extent that the intangible property is used in Missouri. Intangible property that is rented, leased, or licensed and then used in this state in marketing a good or service to a consumer is used in this state if the marketed good or service is purchased by a consumer in this state. Franchise fees or franchise royalties received for the rent, lease, license, or use of a trade name, trademark, service mark, or franchise system, or the right to conduct business activity in a specific geographic area, are receipts in this state to the extent that the franchise is located in this state.
- Sale of Intangible Property Receipts from the sale of intangible property are in this state to the extent the intangible property is used in Missouri. If the intangible property sold is a contract right, government license, or similar property that authorizes the holder to conduct a business activity in a specific geographic area, such intangible property is used in Missouri if the geographic area includes all or part of Missouri. If receipts from the intangible property sale is contingent on the productivity, use, or disposition of the intangible property, these receipts shall be treated as receipts from the rental, lease, or license of intangible property. All other receipt from a sale of intangible property shall be excluded from both the numerator and the denominator of the receipts factor.

If the state or states to which to assign receipts cannot be determined, the state or states of assignment must be reasonably approximated and you must attach a detailed statement explaining the basis of the reasonable approximation.

Part 1, Lines 4 through 10 - Allocation of Nonapportionable Income

Complete Part 1, Lines 4 through 10 if the taxpayer has nonapportionable income to allocate.

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 nonapportionable income shall be allocated as follows:

- Net rents and royalties from real property located in this state are allocable to this state.
- 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.
- Capital gains and losses from sales of real property located in this state are allocable to this state.
- 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.
- 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.
- Interest and dividends are allocable to this state if the taxpayer’s commercial domicile is in this state.
- Patent and copyright royalties are allocable to this state: (1) if and to the extent that the patent or copyright is utilized by the royalty payor in this state; or (2) if and to the extent that the patent or copyright is utilized by the royalty payor 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.

Method Three, Four, Five, or Six Instructions

Enter Missouri miles, total miles, and percentage in the apportionment section on Form MO-MSS, page 1, if applicable. Attach a detailed explanation.

Method Seven Instructions

This method can only be used with prior approval from the Missouri Director of Revenue, or pursuant to a Missouri regulation creating an alternative industry-specific method under [Section 143.461.2, RSMo.](#) or [Section 143.455.13, RSMo.](#) A letter of approval must be attached to the return, or a detailed explanation must be attached identifying the Missouri regulation that authorizes the industry-specific method used and explaining how allocation and apportionment were performed.



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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.



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