Complete this schedule only if you apportion income to Missouri and to other states (using Method Two A or, if applicable, Method Seven) and you have classified income as nonapportionable income. See Page 2 for explanations of apportionable and nonapportionable income for further explanation.

Note: All income is presumed to be apportionable income unless you can clearly show that the income is nonapportionable income. If this schedule is not attached to your Corporate Income Tax Return, your nonapportionable income will not be considered.

Describe in detail your regular trade or business operations including your product or service description. If you reported an NAICS Code on your federal tax return for this tax period, include that code with your written description below.

<table>
<thead>
<tr>
<th>Detailed description and explanation of why income is nonapportionable, including the characteristics that make the item outside of the realm and scope of your regular business operations.</th>
<th>Gross Income</th>
<th>Related Expenses</th>
</tr>
</thead>
</table>

Nonapportionable income — Everywhere — Column 1 less Column 3. Enter on Form MO-MS, Part 1, Line 7.
Nonapportionable income — Missouri allocated — Column 2 less Column 4. Enter on Form MO-MS, Part 1, Line 9.
“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.

Example: The taxpayer is engaged in the heavy construction business and uses equipment such as cranes and tractors. The taxpayer makes short-term leases of the equipment when the equipment is not needed on any particular project. The rental income from these leases is apportionable income.

“Nonapportionable income” means all income other than apportionable income.

Example: The taxpayer’s business is to operate a multistate chain of grocery stores. During the tax year, the taxpayer unexpectedly receives a plot of timberland bequeathed to it from a former employee. The taxpayer has never previously engaged in the sale of land or received a bequest. The taxpayer sells the timberland within that same tax year, and distributes all proceeds from the sale in a dividend to the taxpayer’s shareholders. The gain from that sale of timberland is nonapportionable income.

If you run out of space to enter information on Page 1 of Form MO-NAI, attach additional schedules/statements. If you have previously received a Letter Ruling, Final Decision, binding agreement, or other legal document from the Missouri Department of Revenue, Missouri Administrative Hearing Commission, or a Missouri court of competent jurisdiction, classifying an item of income listed above as nonapportionable income, attach a copy of that document.