



DIVISION OF REVENUE AND TAXATION
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS



ALLOCATION OF INCOME FOR AN S CORPORATION

Schedule
1120S-CM

Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S Corporation.

See separate instructions.

2017

For calendar year 2017 or tax year beginning 2017, and ending , 20

A S election effective date	TYPE OR PRINT	Name	D Employer identification number
B Business activity code number (See instructions)		Number, street, and room or suite no. If a P.O. box, see instructions.	E Date incorporated
C Check if Schedule M-3 attached <input type="checkbox"/>		City or town, state or province, country, and ZIP or foreign postal code	F Total assets (see instructions) \$

G Is the corporation electing to be an S corporation beginning with this tax year? Yes No If "Yes", attach Form 2553 if not already filed
H Check applicable boxes: (1) Final return (2) Name change (3) Address change (4) Amended return (5) S election termination or revocation
I Enter the number of shareholders who were shareholders during any part of the tax year ▶

Caution. Include **only** trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Source of Income and Deductions				A WITHOUT	B WITHIN	C TOTAL
Income	1a Gross receipts or sales	1a				
	b Returns and allowances	1b				
	c Balance. Subtract line 1b from line 1a		1c			
	2 Cost of goods sold (attach Form 1125-A)		2			
	3 Gross profit. Subtract line 2 from line 1c		3			
	4 Net gain (loss) from Form 4797, line 17 (attach Form 4797)		4			
5 Other income (loss) (see instructions - attach statement)		5				
6 Total income (loss). Add lines 3 through 5		6				
Deductions (See instructions for limitations)	7 Compensation of officers (see instructions - attach Form 1125-E)	7				
	8 Salaries and wages (less employment credits)	8				
	9 Repairs and maintenance	9				
	10 Bad debts	10				
	11 Rents	11				
	12 Taxes and licenses	12				
	13 Interest	13				
	14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	14				
	15 Depletion (Do not deduct oil and gas depletion)	15				
	16 Advertising	16				
	17 Pension, profit-sharing, etc., plans	17				
	18 Employee benefit programs	18				
	19 Other deductions (attach statement)	19				
	20 Total deductions. Add lines 7 through 19	20				
	21a Ordinary business income (loss). Subtract line 20 from line 6	21a				
b Allocable percentage	21b		%	%	100%	

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.			
	▶ _____ Signature of officer	▶ _____ Date	▶ _____ Title	May the Division of Revenue and Taxation discuss this return with the preparer shown below (see instructions)? <input type="checkbox"/> Yes <input type="checkbox"/> No

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	Firm's name ▶				Firm's EIN
	Firm's address ▶				Phone no.

1120S-CM (2017) Supplemental Instructions

This form must be used as attachment to Form 1120S, U.S. Income Tax Return for an S Corporation. The purpose of this form is to allocate the income and expenses of the S Corporation based on source of income and related expenses.

1. For lines 1c through 21a, make appropriate source allocation from each line item based upon income source within and without the CNMI. Enter the figure in their respective column.
2. For line 21b, make the percentage allocation of the taxable income from each source in proportion to the total taxable income on line 21a by dividing the taxable income from line 21a, columns A and B by the total taxable income from line 21a, column C.

EXAMPLE:

Percentage allocation for line 2b, column A

$$\frac{\text{Line 21a, col. A}}{\text{Line 21a, col. C}} = \text{Percentage allocation for line 21b, col. A}$$

Percentage allocation for line 21b, column B

$$\frac{\text{Line 21a, col. B}}{\text{Line 21a, col. C}} = \text{Percentage allocation for line 21b, col. B}$$

Caution: *If the percentage allocation is less than zero, enter zero. If more than 100%, enter only 100%.*

3. All other instructions are contained in the regular Form 1120S instruction booklet.
4. Attach Schedule 1120S-CM to Form 1120S.

NOTE: The S corporation shall properly allocate the income (loss) to each shareholder. Also, all non-refundable credits shall be properly allocated to each shareholder under 4 CMC §1308(b).

However, any Business Gross Revenue Tax taken as a deduction shall not be allowed as a non-refundable credit.