

Schedule
1120S-CM

Allocation of Income for an S Corporation

2021

Department of Finance
Division of Revenue and Taxation

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

Commonwealth of the
Northern Mariana Islands

<https://finance.gov.mp/forms.php>

For calendar year 2021, or tax year beginning _____, 2021, 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 Sch. 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? See instructions. Yes No
- H** Check if: (1) Final return (2) Name change (3) Address change (4) Amended return (5) S election termination
- I** Enter the number of shareholders who were shareholders during any part of the year _____
- J** Check if corporation: (1) Aggregated activities for section 465 at-risk purposes (2) Grouped activities for section 469 passive activity purposes

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

Source of Income and Deductions		(A) INCOME WITHOUT	(B) INCOME WITHIN	(C) TOTAL INCOME
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 (see instructions)	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		
21b 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 DRT discuss this return with the preparer shown below (see instructions)? Yes No

Paid Preparer Use Only

Print/Type preparer's name _____ Preparer's signature _____ Date _____ Check if self-employed PTIN _____

Firm's name ▶ _____ Firm's EIN ▶ _____

Firm's address ▶ _____ Phone no. _____

2021

Supplemental instructions for Schedule 1120S-CM

This form must be used as an attachment to Form 1120-S (2021), U.S. Income Tax Return for an S Corporation. The purpose of this form is to allocate the source of income and deductions of the S Corporation.

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, column A by the total taxable income from line 21a, column C.

EXAMPLE:

Percentage allocation for line 21a, column A

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

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

All other instructions are contained in the regular Form 1120S IRS instruction booklet.

Attach this Schedule 1120S-CM to the IRS Form 1120-S.

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.

When to File

Generally, an S corporation must file Form 1120S-CM by the 15th day of the 3rd month after the end of its tax year. For calendar year corporations, the due date is March 15, 2022. A corporation that has dissolved must generally file by the 15th day of the 3rd month after the date it dissolved.