Form 85-122-10-8-1-000 (Rev. 05/10)

Mississippi
S-Corporation
Computation of Net Taxable Income Schedule
2010

A corporation **must attach a copy of its Federal return** and use Federal net income as a beginning point for computing its net taxable income for Mississippi tax purposes, unless it is a multistate entity whose sole activity in Mississippi is from either the business of construction contracting or the production of mineral or natural resources. If so, skip to line 14. All other multistate entities must also complete Form 83-125.

FEIN -

Round All Amounts to the Nearest Dollar
(If negative shade minus (-) in box as in example to the left)

Federal Income

1. Ordinary Income (Loss) per Federal Form 1120S
2. Total Federal Schedule K Income (Pass-through items) not included on Line 1 above
3. Total Federal Schedule K Deductions (Pass-through items) not included on Line 1 above
4. Total (Add Line 1, plus Line 2, minus Line 3)

State Additions

5a. State, Local, or Foreign Government Taxes Based on Income

5b. Interest on Obligations of Other States or Political Subdivisions (Net of Expenses)

5c. Depletion Expense in Excess of Cost

5d. Federal Special Depreciation Allowance (See Instructions)

5e. Other Additions Required By Law (Must Attach Schedule of Computations)

6. Total Additions (Add lines 5a through 5e and enter total)

State Deductions

7a. Interest on Obligations of the United States (Net of Expenses)

7b. Wages Reduced on Federal Return for Federal Employment Tax Credits

7c. Income (Loss) from a Partnership, S corporation, or Trust

7d. Income (Loss) (net of expenses) Resulting From Construction Contracting or Production of Mineral and/or Natural Resource Products (See Instructions)

7e. Additional Depreciation Due to a Difference in the Depreciable Base for Federal and State Purposes (See Instructions and Must Attach Schedule of Computations)

7f. Other Deductions (See Instructions and Must Attach Schedule of Computations)

8. Total Deductions (Add lines 7a through 7f)

9. Adjusted Federal Form 1120S Income (Loss) Subject to Apportionment (lines 4 plus 6 minus 8)

If 100% Mississippi, Enter on Line 13 the amount reported on Line 9

Apportionment/Allocation

10. Adjustment for Nonbusiness Income (Loss) (Must Attach Nonbusiness Income Schedule Form 83-150)
11. Apportionable Business Income (Loss) (line 9 less Line 10)
12. Apportionment Ratio (From Appropriate Line on Form 83-125, Part II) . %
13. Mississippi Apportioned Income (Loss) (Multiply Line 11 by Line 12)
14. Nonbusiness Income (Loss) Allocated to Mississippi (Must Attach Nonbusiness Income Schedule Form 83-150)
15. Mississippi Income (Loss) Received From a Partnership, S Corporation, or Trust (Must Attach MS K-1s)
16. MS Income (Loss) (Net of Expenses) From Construction Contracting or Production of Natural and/or Mineral Resource Products (Form 83-124 Line 31 of page 1 and/or line 15 of page 2).
17. Other Adjustments Required By Law (Must Attach Schedule of Computations)
18. Income (Loss) Apportioned and Directly Allocated to MS (Sum Lines 13 through 17)

Note: Unless You Are Filing A Composite Return On Behalf of Some or All of the Shareholders, Stop Here and Enter Zero on Form 85-105, line 4.

19. Composite Return Filing Adjustments (Must Attach Schedule)
20. Mississippi Composite Income Subject to Tax (Line 18 less Line 19) If positive, report this amount on Form 85-105, line 4 and mark the "Composite Return" checkbox.