

U.S. Income Tax Return for an S Corporation

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

▶ **Go to www.irs.gov/Form1120S for instructions and the latest information.**

2020

For calendar year 2020 or tax year beginning _____, 2020, 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? ☐ Yes ☐ No If "Yes," attach Form 2553 if not already filed

H Check if: (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 ▶

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 21. See the instructions for more information.

| | | | |
|--|---|------------|------------|
| 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 |
| | 21 Ordinary business income (loss). Subtract line 20 from line 6 | | 21 |
| Tax and Payments | 22a Excess net passive income or LIFO recapture tax (see instructions) | 22a | |
| | b Tax from Schedule D (Form 1120-S) | 22b | |
| | c Add lines 22a and 22b (see instructions for additional taxes) | | 22c |
| | 23a 2020 estimated tax payments and 2019 overpayment credited to 2020 | 23a | |
| | b Tax deposited with Form 7004 | 23b | |
| | c Credit for federal tax paid on fuels (attach Form 4136) | 23c | |
| | d Reserved for future use | 23d | |
| | e Add lines 23a through 23d | | 23e |
| | 24 Estimated tax penalty (see instructions). Check if Form 2220 is attached ▶ <input type="checkbox"/> | | 24 |
| | 25 Amount owed. If line 23e is smaller than the total of lines 22c and 24, enter amount owed | | 25 |
| | 26 Overpayment. If line 23e is larger than the total of lines 22c and 24, enter amount overpaid | | 26 |
| 27 Enter amount from line 26: Credited to 2021 estimated tax ▶ Refunded ▶ | | 27 | |

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 IRS 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 <input type="checkbox"/> if self-employed | PTIN |
| Firm's name ▶ | Firm's EIN ▶ | | | |
| Firm's address ▶ | Phone no. | | | |

Schedule B Other Information (see instructions)

| 1 | Check accounting method: a <input type="checkbox"/> Cash b <input type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) ▶ _____ | Yes | No | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------------------|---|--------------------------------|--|--|--------------------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| 2 | See the instructions and enter the: a Business activity ▶ _____ b Product or service ▶ _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation . . . | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | At the end of the tax year, did the corporation: | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| a | Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:30%;">(i) Name of Corporation</th> <th style="width:15%;">(ii) Employer Identification Number (if any)</th> <th style="width:15%;">(iii) Country of Incorporation</th> <th style="width:15%;">(iv) Percentage of Stock Owned</th> <th style="width:25%;">(v) If Percentage in (iv) Is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made</th> </tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </table> | (i) Name of Corporation | (ii) Employer Identification Number (if any) | (iii) Country of Incorporation | (iv) Percentage of Stock Owned | (v) If Percentage in (iv) Is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made | | | | | | | | | | | | | | | | | | | | | | |
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| b | Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:30%;">(i) Name of Entity</th> <th style="width:15%;">(ii) Employer Identification Number (if any)</th> <th style="width:15%;">(iii) Type of Entity</th> <th style="width:15%;">(iv) Country of Organization</th> <th style="width:25%;">(v) Maximum Percentage Owned in Profit, Loss, or Capital</th> </tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </table> | (i) Name of Entity | (ii) Employer Identification Number (if any) | (iii) Type of Entity | (iv) Country of Organization | (v) Maximum Percentage Owned in Profit, Loss, or Capital | | | | | | | | | | | | | | | | | | | | | | |
| (i) Name of Entity | (ii) Employer Identification Number (if any) | (iii) Type of Entity | (iv) Country of Organization | (v) Maximum Percentage Owned in Profit, Loss, or Capital | | | | | | | | | | | | | | | | | | | | | | | | |
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| 5a | At the end of the tax year, did the corporation have any outstanding shares of restricted stock? If "Yes," complete lines (i) and (ii) below. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (i) Total shares of restricted stock ▶ _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (ii) Total shares of non-restricted stock ▶ _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| b | At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments? If "Yes," complete lines (i) and (ii) below. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (i) Total shares of stock outstanding at the end of the tax year ▶ _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (ii) Total shares of stock outstanding if all instruments were executed ▶ _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6 | Has this corporation filed, or is it required to file, Form 8918 , Material Advisor Disclosure Statement, to provide information on any reportable transaction? | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7 | Check this box if the corporation issued publicly offered debt instruments with original issue discount <input type="checkbox"/> If checked, the corporation may have to file Form 8281 , Information Return for Publicly Offered Original Issue Discount Instruments. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8 | If the corporation (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation, and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years. See instructions ▶ \$ _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9 | Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 | Does the corporation satisfy one or more of the following? See instructions | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| a | The corporation owns a pass-through entity with current, or prior year carryover, excess business interest expense. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| b | The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$26 million and the corporation has business interest expense. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| c | The corporation is a tax shelter and the corporation has business interest expense. If "Yes," complete and attach Form 8990. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11 | Does the corporation satisfy both of the following conditions? | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| a | The corporation's total receipts (see instructions) for the tax year were less than \$250,000. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| b | The corporation's total assets at the end of the tax year were less than \$250,000. If "Yes," the corporation is not required to complete Schedules L and M-1. | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Schedule B Other Information (see instructions) (continued) | | Yes | No |
|--|---|-----|----|
| 12 | During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? | | |
| | If "Yes," enter the amount of principal reduction ▶ \$ | | |
| 13 | During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions | | |
| 14a | Did the corporation make any payments in 2020 that would require it to file Form(s) 1099? | | |
| b | If "Yes," did the corporation file or will it file required Form(s) 1099? | | |
| 15 | Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund? | | |
| | If "Yes," enter the amount from Form 8996, line 15 ▶ \$ | | |

| Schedule K Shareholders' Pro Rata Share Items | | Total amount |
|--|---|--------------|
| Income (Loss) | 1 Ordinary business income (loss) (page 1, line 21) | 1 |
| | 2 Net rental real estate income (loss) (attach Form 8825) | 2 |
| | 3a Other gross rental income (loss) 3a | |
| | b Expenses from other rental activities (attach statement) 3b | |
| | c Other net rental income (loss). Subtract line 3b from line 3a | 3c |
| | 4 Interest income | 4 |
| | 5 Dividends: a Ordinary dividends 5a | |
| | b Qualified dividends 5b | |
| | 6 Royalties | 6 |
| | 7 Net short-term capital gain (loss) (attach Schedule D (Form 1120-S)) | 7 |
| 8a Net long-term capital gain (loss) (attach Schedule D (Form 1120-S)) | 8a | |
| b Collectibles (28%) gain (loss) 8b | | |
| c Unrecaptured section 1250 gain (attach statement) 8c | | |
| 9 Net section 1231 gain (loss) (attach Form 4797) | 9 | |
| 10 Other income (loss) (see instructions) Type ▶ | 10 | |
| Deductions | 11 Section 179 deduction (attach Form 4562) | 11 |
| | 12a Charitable contributions | 12a |
| | b Investment interest expense | 12b |
| | c Section 59(e)(2) expenditures Type ▶ | 12c |
| d Other deductions (see instructions) Type ▶ | 12d | |
| Credits | 13a Low-income housing credit (section 42(j)(5)) | 13a |
| | b Low-income housing credit (other) | 13b |
| | c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable) | 13c |
| | d Other rental real estate credits (see instructions) Type ▶ | 13d |
| | e Other rental credits (see instructions) Type ▶ | 13e |
| | f Biofuel producer credit (attach Form 6478) | 13f |
| | g Other credits (see instructions) Type ▶ | 13g |
| Foreign Transactions | 14a Name of country or U.S. possession ▶ | |
| | b Gross income from all sources | 14b |
| | c Gross income sourced at shareholder level | 14c |
| | Foreign gross income sourced at corporate level | |
| | d Reserved for future use | 14d |
| | e Foreign branch category | 14e |
| | f Passive category | 14f |
| | g General category | 14g |
| | h Other (attach statement) | 14h |
| | Deductions allocated and apportioned at shareholder level | |
| | i Interest expense | 14i |
| | j Other | 14j |
| | Deductions allocated and apportioned at corporate level to foreign source income | |
| | k Reserved for future use | 14k |
| | l Foreign branch category | 14l |
| | m Passive category | 14m |
| | n General category | 14n |
| | o Other (attach statement) | 14o |
| Other information | | |
| p Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued ▶ | 14p | |
| q Reduction in taxes available for credit (attach statement) | 14q | |
| r Other foreign tax information (attach statement) | | |

| Schedule K Shareholders' Pro Rata Share Items (continued) | | Total amount |
|--|--|--------------|
| Alternative Minimum Tax (AMT) Items | 15a Post-1986 depreciation adjustment | 15a |
| | b Adjusted gain or loss | 15b |
| | c Depletion (other than oil and gas) | 15c |
| | d Oil, gas, and geothermal properties—gross income | 15d |
| | e Oil, gas, and geothermal properties—deductions | 15e |
| | f Other AMT items (attach statement) | 15f |
| Items Affecting Shareholder Basis | 16a Tax-exempt interest income | 16a |
| | b Other tax-exempt income | 16b |
| | c Nondeductible expenses | 16c |
| | d Distributions (attach statement if required) (see instructions) | 16d |
| | e Repayment of loans from shareholders | 16e |
| Other Information | 17a Investment income | 17a |
| | b Investment expenses | 17b |
| | c Dividend distributions paid from accumulated earnings and profits | 17c |
| | d Other items and amounts (attach statement) | |
| Reconciliation | 18 Income (loss) reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14p | 18 |

| Schedule L Balance Sheets per Books | | Beginning of tax year | | End of tax year | |
|---|--|-----------------------|-----|-----------------|-----|
| Assets | | (a) | (b) | (c) | (d) |
| 1 | Cash | | | | |
| 2a | Trade notes and accounts receivable | | | | |
| b | Less allowance for bad debts | () | | () | |
| 3 | Inventories | | | | |
| 4 | U.S. government obligations | | | | |
| 5 | Tax-exempt securities (see instructions) | | | | |
| 6 | Other current assets (attach statement) | | | | |
| 7 | Loans to shareholders | | | | |
| 8 | Mortgage and real estate loans | | | | |
| 9 | Other investments (attach statement) | | | | |
| 10a | Buildings and other depreciable assets | | | | |
| b | Less accumulated depreciation | () | | () | |
| 11a | Depletable assets | | | | |
| b | Less accumulated depletion | () | | () | |
| 12 | Land (net of any amortization) | | | | |
| 13a | Intangible assets (amortizable only) | | | | |
| b | Less accumulated amortization | () | | () | |
| 14 | Other assets (attach statement) | | | | |
| 15 | Total assets | | | | |
| Liabilities and Shareholders' Equity | | | | | |
| 16 | Accounts payable | | | | |
| 17 | Mortgages, notes, bonds payable in less than 1 year | | | | |
| 18 | Other current liabilities (attach statement) | | | | |
| 19 | Loans from shareholders | | | | |
| 20 | Mortgages, notes, bonds payable in 1 year or more | | | | |
| 21 | Other liabilities (attach statement) | | | | |
| 22 | Capital stock | | | | |
| 23 | Additional paid-in capital | | | | |
| 24 | Retained earnings | | | | |
| 25 | Adjustments to shareholders' equity (attach statement) | | | | |
| 26 | Less cost of treasury stock | | () | | () |
| 27 | Total liabilities and shareholders' equity | | | | |

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**Note:** The corporation may be required to file Schedule M-3. See instructions.

| | | | |
|---|--|--|--|
| 1 Net income (loss) per books | | 5 Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize): | |
| 2 Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize) _____ | | a Tax-exempt interest \$ _____ | |
| 3 Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14p (itemize): | | 6 Deductions included on Schedule K, lines 1 through 12 and 14p, not charged against book income this year (itemize): | |
| a Depreciation \$ _____ | | a Depreciation \$ _____ | |
| b Travel and entertainment \$ _____ | | 7 Add lines 5 and 6 | |
| 4 Add lines 1 through 3 | | 8 Income (loss) (Schedule K, line 18). Subtract line 7 from line 4 | |

Schedule M-2 Analysis of Accumulated Adjustments Account, Shareholders' Undistributed Taxable Income Previously Taxed, Accumulated Earnings and Profits, and Other Adjustments Account
(see instructions)

| | (a) Accumulated adjustments account | (b) Shareholders' undistributed taxable income previously taxed | (c) Accumulated earnings and profits | (d) Other adjustments account |
|--|-------------------------------------|---|--------------------------------------|-------------------------------|
| 1 Balance at beginning of tax year | | | | |
| 2 Ordinary income from page 1, line 21 | | | | |
| 3 Other additions | | | | |
| 4 Loss from page 1, line 21 | () | | | |
| 5 Other reductions | () | | | () |
| 6 Combine lines 1 through 5 | | | | |
| 7 Distributions | | | | |
| 8 Balance at end of tax year. Subtract line 7 from line 6 | | | | |