

# K-121S

(Rev. 7-24)

# KANSAS SMALL BUSINESS COMBINED INCOME METHOD OF REPORTING

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For the taxable year beginning \_\_\_\_\_, 20\_\_\_\_; ending \_\_\_\_\_, 20\_\_\_\_

Name as shown on Form K-120S	Employer Identification Number (EIN)
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## PART I KANSAS COMBINED NET INCOME

Enter separate corporate names and federal identification numbers	Corporation A	Corporation B	Eliminations (Explain Below)	Combined Income
1. Federal ordinary income .....				
2. Total other income (loss) and deductions from federal Schedule K .....				
3. Total (Add lines 1 and 2).....				
4. Total state and municipal interest.....				
5. Taxes on or measured by income or fees or payments in lieu of income taxes .....				
6. 250 deduction related to global intangible low-taxed income (GILTI) (I.R.C. § 250(a)(1)(B)) (schedule required) .....				
7. Business interest expense carryforward deduction (I.R.C. § 163(j)) (schedule required).....				
8. Other additions to federal income (schedule required).....				
9. <b>Total additions to federal income (Add lines 4 through 8)</b> .....				
10. Interest on U.S. government obligations .....				
11. IRC Section 78 and 80% of foreign dividends (schedule required).....				
12. Global intangible low-taxed income (GILTI) (I.R.C. § 951A) (schedule required) .....				
13. Disallowed business interest deduction (I.R.C. § 163(j)) (schedule required) .....				
14. Contributions to capital exceptions (I.R.C. § 118) (schedule required).....				
15. Disallowed business meal expenses (I.R.C. § 274) (schedule required) .....				
16. Other subtractions from federal income (schedule required).....				
17. <b>Total subtractions from federal income (add lines 10 through 16)</b> .....				
18. Net income before apportionment (add line 3 to line 9 and subtract line 17).				
19. Nonbusiness income -Total company (schedule required).....				
20. Apportionable business income (subtract line 19 from line 18) .....				
21. Percent to Kansas (from line 6, Part II).....				
22. Amount to Kansas (line 21, Corp. A&B multiplied by line 20 combined income).....				
23. Nonbusiness income - Kansas (schedule required) .....				
24. Kansas expensing recapture (see instructions for Schedule K-120EX) .....				
25. Kansas expensing deduction (see instructions for K-120EX).....				
26. Total Kansas income (Add line 22, 23, and 24 and subtract line 25).....				
27. Kansas income not taxed as part of the election (schedule required) .....				
28. Kansas taxable income for electing partners (subtract line 27 from line 26 and enter result on line 28. Also enter on line 29 of Form K-120S) .....				

**Explanation of Eliminations:**

(Any corporation filing using the combined income method with more than one entity doing business in Kansas may file one Kansas return reporting the total Kansas combined income and tax on that return.)

**PART II**

**APPORTIONMENT FORMULA FOR FORM K-121S**

	Corporation A Within Kansas		Corporation B Within Kansas		Total Company		Percent Within Kansas
	Beginning of Year	End of Year	Beginning of Year	End of Year	Beginning of Year	End of Year	
1a. Value of owned real and tangible personal property used in the business at original cost.							
Inventory .....							
Depreciable Assets .....							
Land .....							
Other Tangible Assets (Enclose schedule)....							
Less: Construction in Progress .....							
Total Property to be Averaged .....							
<b>Average Owned Property</b> (Beg. + End ÷ 2)							
1b. Net annual property. Multiplied by 8.....							
<b>Total Property</b> .....							
Percentage: Corporation A (Divide Corporation A by Total Company) .....							1A
Percentage: Corporation B (Divide Corporation B by Total Company).....							1B
2. Wages, salaries, commissions and other compensation of employees related to business income included in return.							
<b>TOTAL PAYROLL</b> .....							
Percentage: Corporation A (Divide Corporation A by Total Company) .....							2A
Percentage: Corporation B (Divide Corporation B by Total Company).....							2B
3. Sales (gross receipts, less returns and allowances)							
a. Sales delivered or shipped to purchasers in Kansas:							
(1) Shipped from outside Kansas .....							
(2) Shipped from within Kansas .....							
b. Sales shipped from Kansas to:							
(1) The United States Government.....							
(2) Purchasers in a state where the taxpayer would not be taxable (e.g., under Public Law 86-272) .....							
c. Dividends .....							
Interest.....							
Rents .....							
Royalties.....							
Gains/loses from intangible asset sales .....							
Gross proceeds from intangible asset sales.....							
Other income (attach schedule) .....							
<b>TOTAL SALES</b> .....							
Percentage: Corporation A (Divide Corporation A by Total Company) .....							3A
Percentage: Corporation B (Divide Corporation B by Total Company).....							3B
4. Total Percent: Corporation A (Add lines 1A, 2A, and 3A) .....							4A
Corporation B (Add lines 1B, 2B, and 3B).....If utilizing three factor formula .....							4B
5. Total Percent: Corporation A (Add lines 1A and 3A).....							5A
Corporation B (Add lines 1B and 3B).....If qualified and utilizing two factor formula .....							5B
6. Total Percent: Corporation A (To Line 21, Form K-121S) .....							6A
Corporation B (To Line 21, Form K-121S).....Average percent of line 4 or 5, whichever is applicable .....							6B