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FOR PRIVACY ACT NOTICE, SEE INSTRUCTIONS.

Form 355S S Corporation Excise Return 2011

Ovals must be filled in completely. Example: ● If filing a calendar year return, leave blank. All others, enter appropriate dates below:

Tax year beginning (month–day–year) 01012011 Tax year ending (month–day–year) 12312011

CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER (FID): 04-3333-333

PRINCIPAL BUSINESS ADDRESS: 4 STOREGE ST

CITY/TOWN/POST OFFICE: CHELSEA

STATE: MA ZIP + 4: 021506371

PRINCIPAL BUSINESS ADDRESS IN MASSACHUSETTS (IF DIFFERENT):

CITY/TOWN/POST OFFICE:

STATE: ZIP + 4:

Are you a member of a lower-tier entity? ○ Yes ● No

1 Is the corporation incorporated within Massachusetts? ► ● Yes ○ No

2 Type of corporation (select one, if applicable; enclose Form F-2) ► ○ Section 38 manufacturer ○ Mutual fund service

3 Type of corporation (select one, if applicable) ► ○ R&D ○ Classified mfg

4 Did the corporation or predecessor file Form 3F in 2008? ► ○ Yes ● No

5 Is the corporation filing a Massachusetts unitary return? ► ○ Yes ● No

6 Is the corporation the parent of another corporation? ○ Yes ● No

7 Is the corporation an insurance mutual holding corporation? ► ○ Yes ● No

8 Is the corporation requesting alternative apportionment (enclose Form AA-1)? ► ○ Yes ● No

9 Is this a final Massachusetts return? ► ○ Yes ● No

10 Principal business code (from U.S. return) ► 10 561300

11 FID of principal reporting corporation, if answer to line 5 is Yes ► 11

12 Average number of employees in Massachusetts 12 90

13 Average number of employees worldwide 13 150

14 Date of charter in Massachusetts or first date of business in Massachusetts 14 11 27 1991

15 Last year audited by IRS ► 15 2001

16 Have adjustments been reported to Massachusetts? ● Yes ○ No

17 Is the corporation deducting intangible or interest expenses paid to a related entity? ► ● Yes ○ No

18 Is the taxpayer enclosing a Taxpayer Disclosure Statement? ► ○ Yes ● No

19 Is the taxpayer claiming exemption from the income measure of the excise pursuant to PL 86-272? ► ○ Yes ● No

SIGN HERE. Under penalties of perjury, I declare that to the best of my knowledge and belief this return and enclosures are true, correct and complete.

Signature of appropriate officer (see instructions)	Date	Print paid preparer's name	Preparer's SSN or PTIN ►
HONEY HONEYDO	01/02/12	RICHARD RICHIE	123456789
Title		Paid preparer's phone	Paid preparer's EIN
		(619) 632 2222	987654321
Are you signing as an authorized delegate of the appropriate corporate officer? ● Yes (enclose Form M-2848) ○ No		Paid preparer's signature: Richard Richie	Date: 01/02/2012 ○ Fill in if self-employed

Mail to: Massachusetts Department of Revenue, PO Box 7025, Boston, MA 02204.

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Excise Calculation 2011

1	Taxable Massachusetts tangible property, if applicable (from Schedule C, line 4) ►	× .0026 = ► 1	
2	Taxable net worth, if applicable (from Schedule D, line 10) ► 2,804,757	× .0026 = ► 2	7,292
3	Qualified taxable income and passive income ►	× .0825 = ► 3	
4	Income (from 2011 Schedule S, line 17) ► 4		54,678,968
5	Income taxable in Massachusetts (from Schedule E, line 27). Enter "0" if a loss ► 5		2,315,768
6	If line 4 is less than $6 million, enter "0." If line 4 is $6 million or more, but less than $9 million, multiply line 5 by .0197. If line 4 is $9 million or more, multiply line 5 by .0295 6		68,315
7	Credit recapture. Enclose Schedules H and/or H-2 ► 7		14,884
8	Additional tax on installment sales. ► 8		11,579
9	Excise before credits. Add line 1 or 2, whichever applies, to total of lines 3, 6, 7 and 8. 9		102,070
10	Total credits (from Schedule CR, line 15) ► 10		300
11	Excise after credits. Subtract line 10 from line 9 11		101,770
12	Combined filers only, enter the amount of tax from Schedule U-ST, line 41 12		
13	Minimum excise **(cannot be prorated; unitary filers, see instructions)** 13		456
14	Excise due before voluntary contribution. (line 11 or 13, whichever is greater) 14		101,770
15	Voluntary contribution for endangered wildlife conservation ► 15		
16	Excise due plus voluntary contribution. Add lines 14 and 15 ► 16		101,770
17	2010 overpayment applied to your 2011 estimated tax. ► 17		
18	2011 Massachusetts estimated tax payments (do not include amount in line 17) ► 18		101,770
19	Payment made with extension ► 19		
20	Pass-through entity withholding (from Schedule 3K-1) Payer ID number ► 043433333 ► 20		600
21	Total refundable credits (from Schedule RF, line 6) ► 21		102,503
22	Total payments. Add lines 17 through 21 22		204,873
23	Amount overpaid. Subtract line 16 from line 22 23		103,103
24	Amount overpaid to be credited to 2012 estimated tax. ► 24		
25	Amount overpaid to be refunded. Subtract line 24 from line 23 Refund ► 25		103,103
26	Balance due. Subtract line 22 from line 16. Balance due ► 26		
27	**a.** M-2220 penalty ► **b.** Late file/pay penalties a + b = 27		
28	Interest on unpaid balance. 28		
29	Total payment due at time of filing. Make check payable to Commonwealth of Massachusetts. Total due ► 29		

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CORPORATION NAME

TEST TWO S CORP

AL IDENTIFICATION NUMBER

043333333

Schedule A Balance Sheet 2011

	Assets	A. Original cost	B. Accumulated depreciation and amortization	C. Net book value
1	Capital assets in Massachusetts:			
	a. Buildings ► 1a			
	b. Land ► 1b			
	c. Motor vehicles and trailers ► 1c	221,848	186,733	35,115
	d. Machinery taxed locally ► 1d			
	e. Machinery **not** taxed locally 1e			
	f. Equipment 1f	5,169,642	4,950,059	219,583
	g. Fixtures 1g	1,806,980	1,648,874	158,106
	h. Leasehold improvements taxed locally ► 1h	1,197,908	1,133,447	64,461
	i. Leasehold improvements **not** taxed locally 1i			
	j. Other fixed depreciable assets 1j			
	k. Construction in progress 1k			
	l. Total capital assets in Massachusetts ► 1l			477,265
2	Inventories in Massachusetts:			
	a. General merchandise 2a			
	b. Exempt goods ► 2b			
3	Supplies and other non-depreciable assets in Massachusetts 3			
4	Total tangible assets in Massachusetts ► 4			477,265
5	Capital assets outside of Massachusetts:			
	a. Buildings and other depreciable assets 5a			
	b. Land 5b			
6	Leaseholds/leasehold improvements outside Massachusetts 6			
7	Total capital assets outside Massachusetts ► 7			

BE SURE TO CONTINUE SCHEDULE A ON OTHER SIDE.

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8	Inventories outside Massachusetts	
9	Supplies and other non-depreciable assets outside Massachusetts	9
10	Total tangible assets outside of Massachusetts	10
11	Total tangible assets. Add lines 4 and 10	11 — 477,265
12	Investments (capital stock investments and equity contributions only):	
	a. Investments in subsidiary corporations at least 80% owned (enclose Schedule A-1) ►	12a
	b. Other investments ►	12b — 21,353
13	Notes receivable	13 — 500,000
14	Accounts receivable	14 — 11,354,071
15	Intercompany receivables (enclose Schedule A-2) ►	15
16	Cash	16 — 1,787
17	Other assets	17 — 3,209,893
18	Total assets ►	18 — 15,564,369

Liabilities and Capital

19	Mortgages on:	
	a. Massachusetts tangible property taxed locally	19a
	b. Other tangible assets	19b
20	Bonds and other funded debt	20
21	Accounts payable	21 — 457,735
22	Intercompany payables (enclose Schedule A-3) ►	22
23	Notes payable	23 — 23,269
24	Miscellaneous current liabilities	24 — 7,228,974
25	Miscellaneous accrued liabilities	25 — 2,413,316
26	Total liabilities ►	26 — 10,123,294
27	Total capital stock issued	27 — 3,606,365
28	Paid-in or capital surplus	28
29	Retained earnings and surplus reserves ►	29
30	Undistributed S corporation net income ►	30 — 1,834,710
31	Total capital. Add lines 27 through 30	31 — 5,441,075
32	Treasury stock	32
33	Total liabilities and capital. Do not enter less than "0"	33 — 15,564,369

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CORPORATION NAME

TEST TWO S CORP

043333333

Schedule B. Tangible or Intangible Property Corporation Classification 2011

Enter all values as net book values from Schedule A, col. c.

1	Total Massachusetts tangible property (from Schedule A, line 4) . . . 1	477265
2	Massachusetts real estate (from Schedule A, lines 1a and 1b) . . . 2	
3	Massachusetts motor vehicles and trailers (from Schedule A, line 1c) . . . 3	35115
4	Massachusetts machinery taxed locally. Certified manufacturers enter "0" (from Schedule A, line 1d) . . . 4	
5	Massachusetts leasehold improvements taxed locally (from Schedule A, line 1h) . . . 5	64461
6	Massachusetts tangible property taxed locally. Add lines 2 through 5 . . . ▸ 6	99576
7	Massachusetts tangible property not taxed locally. Subtract line 6 from line 1 . . . 7	377689
8	Total assets (from Schedule A, line 18) . . . 8	15564369
9	Massachusetts tangible property taxed locally (from line 6 above) . . . 9	99576
10	Total assets not taxed locally. Subtract line 9 from line 8 . . . 10	15464793
11	Investments in subsidiaries at least 80% owned (from Schedule A, line 12a) . . . 11	
12	Assets subject to allocation. Subtract line 11 from line 10 . . . 12	15464793
13	Income apportionment percentage (from Schedule F, line 5) . . . 13	0525088
14	Allocated assets. Multiply line 12 by line 13 . . . ▸ 14	8120377
15	Tangible property percentage. Divide line 7 by line 14 . . . 15	0046511

Schedule C Tangible Property Corporation

Complete only if Schedule B, line 15 is 10% or more. Enter all values as net book values from Schedule A, col. c.

1	Total Massachusetts tangible property (from Schedule A, line 4) . . . 1	
2	Exempt Massachusetts tangible property:	
	a. Massachusetts real estate (from Schedule A, lines 1a and 1b) . . . 2a	
	b. Massachusetts motor vehicles and trailers (from Schedule A, line 1c) . . . 2b	
	c. Massachusetts machinery taxed locally. Certified manufacturers enter "0" (from Schedule A, line 1d) . . . 2c	
	d. Massachusetts leasehold improvements taxed locally (from Schedule A, line 1h) . . . 2d	
	e. Exempt goods (from Schedule A, line 2b) . . . 2e	
	f. Certified Massachusetts industrial waste/air treatment facilities . . . 2f	
	g. Certified Massachusetts solar or wind power deduction . . . 2g	
3	Total exempt Massachusetts tangible property. Add lines 2a through 2g . . . 3	
4	Taxable Massachusetts tangible property. Subtract line 3 from line 1. Do not enter less than "0." Enter result in line 1 of the Excise Calculation on page 2, and enter "0" in line 2 of the Excise Calculation . . . 4	

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Schedule D Intangible Property Corporation 2011

Complete only if Schedule B, line 15 is less than 10%. Enter all values as net book values from Schedule A, col. c.

1	Total assets (from Schedule A, line 18)	15,564,369
2	Total liabilities (from Schedule A, line 26)	10,123,294
3	Massachusetts tangible property taxed locally (from Schedule B, line 6)	99,576
4	Mortgages on Massachusetts tangible property taxed locally (from Schedule A, line 19a)	
5	Subtract line 4 from line 3. Do not enter less than "0"	99,576
6	Investments in subsidiaries at least 80% owned (from Schedule A, line 12a)	
7	Deductions from total assets. Add lines 2, 5 and 6	10,222,870
8	Allocable net worth. Subtract line 7 from line 1. Do not enter less than "0"	5,341,499
9	Income apportionment percentage (from Schedule F, line 5)	.525088
10	Taxable net worth. Multiply line 8 by line 9. Enter result in line 2 of the Excise Calculation on page 2, and enter "0" in line 1 of the Excise Calculation	2,804,757

Schedule E-1 Dividends Deduction

1	Total dividends. See instructions	
2	Dividends from Massachusetts corporate trusts	
3	Dividends from non-wholly-owned DISCs	
4	Dividends, if less than 15% of voting stock owned	
5	Dividends from RICs	
6	Dividends from REITs	
7	Total taxable dividends. Add lines 2 through 6	
8	Dividends eligible for deduction. Subtract line 7 from line 1	
9	Dividends deduction. Multiply line 8 by .95	

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CORPORATION NAME: TEST TWO S CORP

F: 043333333

Schedule E Taxable Income 2011

▼ If showing a loss, mark an X in box at left

1	Gross receipts or sales (from U.S. Form 1120, line 1c) ► 1		54,634,717
2	Gross profit (from U.S. Form 1120, line 3) ► 2		21,827,454
3	Other deductions (from U.S. Form 1120, line 26) ► 3		4,206,862
4	Net income (from U.S. Form 1120, line 28) ► 4		4,418,919
5	Allowable U.S. wage credit. See instructions ► 5		10,000
6	Subtract line 5 from line 4 6		4,408,919
7	State and municipal bond interest not included in U.S. net income ► 7		5,000
8	Foreign, state or local income, franchise, excise or capital stock taxes deducted from U.S. net income. ► 8		54,418
9	Section 168(k) "bonus" depreciation adjustment. See instructions ► 9	X	45,853
10	Sections 31I and 3IK intangible expense add back adjustment. See instructions ► 10		2,000
11	Sections 31J and 3IK interest expense add back adjustment. See instructions ► 11		1,000
12	Federal production activity add back adjustment. See instructions ► 12		
13	Other adjustments, including research and development expenses. See instructions ► 13	X	4,318
14	Add lines 6 through 13 14		4,421,166
15	Abandoned building renovation deduction × .10 = ► 15		
16	Dividends deduction (from Schedule E-1, line 9) ► 16		
17	Exception(s) to the add back of intangible expenses (enclose Schedule ABIE) ► 17		2,000
18	Exception(s) to the add back of interest expenses (enclose Schedule ABI) ► 18		1,000
19	Income subject to apportionment. Subtract the total of lines 15 through 18 from line 14 19		4,418,166
20	Income apportionment percentage (from Schedule F, line 5 or 1.0, whichever applies) ► 20		0525088
21	Multiply line 19 by line 20 21		2,319,926
22	Income not subject to apportionment ► 22		500
23	Total net income allocated or apportioned to Massachusetts. Add lines 21 and 22 ► 23		2,320,426
24	Certified Massachusetts solar or wind power deduction ► 24		
25	Massachusetts taxable income before net operating loss deduction. Subtract line 24 from line 23. 25		2,320,426
26	Net operating loss deduction (enclose Schedule E-2) ► 26		4,658
27	Massachusetts taxable income. Subtract line 26 from line 25 27		2,315,768

Complete Schedule E only if Schedule S, line 17 is $6 million or more. Massachusetts Schedule S is used to determine whether or not an S corporation is liable for an additional excise at the corporate level. If total receipts are $6 million or more, the corporation must complete and retain with its records a pro forma U.S. Form 1120.

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Schedule CD Corporate Disclosure 2011

1	Charitable contributions (from U.S. Form 1120S) 1	28,701
2	Federal research expense allowed under IRC section 174, plus research credit allowed under IRC section 41 (from U.S. Form 1120S) 2	
3	Accelerated depreciation (ARCS, MARCS, etc.) allowed as a federal deduction:	
	a. Equipment 3a	419,121
	b. Rental housing 3b	
	c. Buildings other than rental housing 3c	
	d. Pollution control facilities 3d	
4	Standard depreciation:	
	a. Equipment 4a	337,190
	b. Rental housing 4b	
	c. Buildings other than rental housing 4c	
	d. Pollution control facilities 4d	
5	Accelerated depreciation less standard depreciation:	
	a. Equipment. Subtract line 4a from line 3a. Not less than "0" 5a	81,931
	b. Rental housing. Subtract line 4b from line 3b. Not less than "0" 5b	
	c. Buildings other than rental housing. Subtract line 4c from line 3c. Not less than "0" 5c	
	d. Pollution control facilities. Subtract line 4d from line 3d. Not less than "0" 5d	
6	Total amortizable costs for which amortization began in 2011 (from U.S. Schedule 4562, line 42, total of all entries in col. c) 6	
7	Total of first year amortization expense for costs identified in line 6 (from U.S. Schedule 4562, line 42, total of all entries in col. f) 7	
8	Total current year amortization expense for amortization of costs that began prior to 2011 (from U.S. Schedule 4562, line 43, col. f) 8	

An exact copy of U.S. Form 1120S, including all applicable schedules and forms and any other documentation required to substantiate entries made on this return, must be made available to the Department of Revenue upon request. See instructions.

CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

Schedule CR Other Corporate Credits 2011

1	Economic Development Incentive Program Credit Certificate number ► 1020E98700	► 1	100
2	Economic Opportunity Area Credit	► 2	
3	3% credit for certain new or expanded investments	► 3	
4	Vanpool Credit	► 4	
5	Research Credit (from Schedule RC, part 2, line 14)	► 5	
6	Harbor Maintenance Tax Credit (from Schedule HM, line 21)	► 6	
7	Brownfields Credit Certificate number ►	► 7	
8	Low-Income Housing Credit Building identification number ►	► 8	
9	Historic Rehabilitation Credit Certificate number ► HRC201003V	► 9	143
10	Film Incentive Credit Certificate number ►	► 10	
11	Medical Device Credit Certificate number ► 1020M00311	► 11	57
12	Life Science Company Investment Tax Credit under section 38U	► 12	
13	Life Science Company FDA User Fee Credit under section 31M	► 13	
14	Life Science Company Research Credit under section 38W	► 14	
15	Total credits. Add lines 1 through 14	15	300

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Schedule RF Refundable Credits

1	Refundable Film Credit	► 1	102503
2	Refundable Dairy Credit Certificate number ►	► 2	
3	Refundable Life Science Credit	► 3	
4	Refundable Economic Development Incentive Credit	► 4	
5	Conservation Land Credit Certificate number ►	► 5	
6	Total refundable credits. Add lines 1 through 5	6	102503

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CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

Schedule E-2 Loss Carryover Deduction 2011

Type of net operating loss being claimed. Fill in one oval: (•) General ( ) New

1 Type of return filed in 2006: ( ) 355 ( ) 355C (•) 355S ( ) Other

a. 2006 pre-apportionment net operating loss	1a	4,000
b. 2006 amount of pre-apportionment NOL used in prior years and adjustments	1b	
c. 2006 remaining pre-apportionment loss. Subtract line 1b from line 1a	1c	4,000
d. 2006 apportionment factor from the loss year	1d	0.400301
e. 2006 post-apportionment NOL. Multiply line 1c by line 1d	1e	1,601
f. 2006 post-apportionment loss used in prior years	1f	
g. 2006 loss available. Subtract line 1f from line 1e	1g	1,601

2 Type of return filed in 2007: ( ) 355 ( ) 355C (•) 355S ( ) Other

a. 2007 pre-apportionment net operating loss	2a	3,100
b. 2007 amount of pre-apportionment NOL used in prior years and adjustments	2b	
c. 2007 remaining pre-apportionment loss. Subtract line 2b from line 2a	2c	3,100
d. 2007 apportionment factor from the loss year	2d	0.525003
e. 2007 post-apportionment NOL. Multiply line 2c by line 2d	2e	1,628
f. 2007 post-apportionment loss used in prior years	2f	
g. 2007 loss available. Subtract line 2f from line 2e	2g	1,628

3 Type of return filed in 2008: ( ) 355 ( ) 355C (•) 355S ( ) Other

a. 2008 pre-apportionment net operating loss	3a	1,000
b. 2008 amount of pre-apportionment NOL used in prior years and adjustments	3b	
c. 2008 remaining pre-apportionment loss. Subtract line 3b from line 3a	3c	1,000
d. 2008 apportionment factor from the loss year	3d	0.499009
e. 2008 post-apportionment NOL. Multiply line 3c by line 3d	3e	499
f. 2008 post-apportionment loss used in prior years	3f	
g. 2008 loss available. Subtract line 3f from line 3e	3g	499

TAXPAYER IDENTIFICATION NUMBER 043333333

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4 Type of return filed in 2009: ○ 355 ○ 355U ● 355S ○ Other

a. 2009 pre-apportionment net operating loss	4a	1,001
b. 2009 amount pre-apportionment of NOL used in prior years and adjustments	4b	
c. 2009 remaining pre-apportionment loss. Subtract line 4b from line 4a	4c	1,001
d. 2009 apportionment factor from the loss year	4d	0.489011
e. 2009 post-apportionment NOL. Multiply line 4c by line 4d	4e	490
f. 2009 post-apportionment loss used in prior years	4f	
g. 2009 loss available. Subtract line 4f from line 4e	4g	490

5 Type of return filed in 2010: ○ 355 ○ 355U ● 355S ○ Other

a. 2010 pre-apportionment net operating loss	5a	900
b. 2010 amount of pre-apportionment NOL used in prior years and adjustments	5b	
c. 2010 remaining pre-apportionment loss. Subtract line 5b from line 5a	5c	900
d. 2010 apportionment factor from the loss year	5d	0.489012
e. 2010 post-apportionment NOL. Multiply line 5c by line 5d	5e	440
f. 2010 post-apportionment loss used in prior years	5f	
g. 2010 loss available. Subtract line 5f from line 5e	5g	440
6 Total available loss. Add row g of lines 1 through 5	6	4,658
7 Massachusetts taxable income before net operating loss deduction (from 2011 Schedule E, line 26)	7	2,320,426
8 Loss carryover deduction. Enter the amount from line 6 but not greater than the amount in line 7	8	4,658

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CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

Schedule F Income Apportionment 2011

Fill in applicable oval(s):

- ○ Section 38 manufacturer
- ○ Mutual fund service corporation reporting sales of mutual funds only
- ○ Mutual fund service corporation reporting sales of non-mutual funds
- ● Other
- ○ Enclosing additional copies of Schedule F for additional members of a combined group

Business Locations Outside of Massachusetts

City and state	Specify whether factory, sales office, warehouse, construction site, etc.	Accepts orders	Registered to do business in state	Files returns in state
NEW YORK, NY	SERVICE	●	●	●
		○	○	○
		○	○	○
		○	○	○
		○	○	○

Apportionment Factors

1 Tangible property:

a. Property owned (averaged)	► Massachusetts	8,332,234	► Worldwide	8,332,234
b. Property rented (capitalized)	► Massachusetts	2,800,704	► Worldwide	2,800,704
c. Total property owned and rented	Massachusetts	11,132,938	Worldwide	11,132,938
d. Tangible property apportionment percentage. Divide (from line 1c) Massachusetts total by worldwide total 1d		1.000000		

2 Payroll:

a. Total payroll	► Massachusetts	15,654,737	► Worldwide	25,339,993
b. Payroll apportionment percentage. Divide (from line 2a) Massachusetts total payroll by worldwide total payroll 2b		0.617788		

3 Sales:

a. Tangibles (Massachusetts destination)	► Massachusetts			
b. Tangibles (Massachusetts throwback)	► Massachusetts		► Worldwide	
c. Services (including mutual fund sales)	► Massachusetts	13,167,376	► Worldwide	54,618,718
d. Rents and royalties	► Massachusetts	10,000	► Worldwide	10,000
e. Other	► Massachusetts	5,000	► Worldwide	6,000
f. Total sales	Massachusetts	13,182,376	Worldwide	54,634,718

g. Sales apportionment percentage. Mutual fund corporations reporting mutual fund sales, divide (from line 3c) Massachusetts mutual fund sales by total mutual fund sales. All other corporations, including mutual fund service corporations reporting non-mutual fund sales, divide (from line 3f) Massachusetts total sales by worldwide total sales 3g 0.241282

4 Apportionment percentage. All corporations must complete this line. Section 38 manufacturers or mutual fund service corporations reporting mutual fund sales, enter the amount from line 3g. All other corporations, including mutual fund service corporations reporting non-mutual fund sales, enter the total of (line 3g × 2) plus line 1d plus line 2b 4 2.100352

5 Massachusetts apportionment percentage. If the taxpayer is a Section 38 manufacturer, enter the amount from line 4 here and in Schedules E, line 20. Mutual fund service corporations for mutual fund sales, enter the amount from line 4 here and in line 20 of the Schedules E for mutual fund sales only. All other corporations including mutual fund service corporations reporting non-mutual fund sales, divide line 4 by 4, enter result here and in Schedules E, line 20 (for mutual fund service corporations, the Schedules E for non-mutual fund sales). See instructions 5 0.525088

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CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

Schedule H-2 Credit Recapture 2011

Complete this schedule if the taxpayer has Brownfields, Low-Income Housing, Historic Rehbilitation, Economic Opportunity Area, Vanpool or Life Science tax credit to recapture.

Complete one Schedule H-2 for each type of credit being recaptured. ( ) Fill in if completing additional Schedules H-2

Type of credit being recaptured. Fill in applicable oval:
( ) Brownfields (•) Low-Income Housing ( ) Historic Rehabilitation ( ) Economic Opportunity Area ( ) Vanpool ( ) Life Science

Recapture Calculation

1	Amount of original credit	18,725
2	Month and year property was placed in service	1203
3	Total months of useful life	468
4	Month and year property was disposed of or ceased to be in qualified use	1211
5	Number of months property was in qualified use	96
6	Adjusted credit percentage. Divide line 5 by line 3	0.205128
7	Recapture percentage. Subtract line 6 from 1.0	0.794872
8	Tentative recapture tax. Multiply line 7 by line 1	14,884
9	Portion of original credit not used to offset any tax. See instructions.	
10	Credit to be recaptured. Subtract line 9 from line 8. Do not enter less than "0." Enter here and on Form 355, line 4; Form 355S, line 7; Form 1, line 25; Form 1-NR/PY, line 29 or on other appropriate tax form	14,884

Instructions

If property is disposed of or ceases to be in qualified use prior to the end of its useful life, the difference between the Brownfields Credit, Historic Rehabilitation Credit, Low-Income Housing Credit, Economic Opportunity Area Credit, Vanpool Credit or Life Science Credit taken and the credit allowed for actual use must be added back in the excise calculation. The recapture amount is additional tax in the year the property is disposed of. The amount of the credit allowed for actual use equals the amount of the original credit multiplied by the months of actual use divided by the total months of useful life.

If the taxpayer's records show that a portion or all of the original credit was never used to offset tax, the recapture tax may be reduced by the unused amount. To substantiate any amount in line 9, taxpayers should complete the Schedule H-2 Worksheet (Recapture Offset Worksheet) or use their own schedule, provided it performs the same calculations as the worksheet. The worksheet is available by visiting the DOR's website at www.mass.gov/dor.

For further information refer to DOR Directive 89-7.

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2011

Massachusetts Department of Revenue

Refundable Film Credit
Motion Picture Production Company

Motion picture production companies qualify to elect a refundable film credit if they have **not** transferred or carried forward a portion of the film credit for the production/certificate number to be refunded. **Transferees** of the film credit do **not** qualify for the refundable film credit. Transferees should claim their film credit on Schedule Z (Form 1 or Form 1-NR/PY); Form 2, line 48; Schedule U-IC (Form 355U); Schedule CR (Form 355 or 355S) Form M-990T, line 30; or Form M-990T-62, line 35.

Note: If an election to refund the film credit for a production/certificate number is made, the entire film credit remaining after reducing tax liability and other credits will be refunded at 90%. Partial refunds, transfers or carryovers are not allowed. However, the refund can be applied as an estimated payment for the subsequent tax year.

For calendar year 2011 or taxable year beginning **and ending**

Taxpayer name	Federal Identification or Social Security number
TEST TWO S CORP	043 333 333

Mailing address	City/Town	State	Zip
4 STORAGE ST	CHELSEA	MA	02150 6371

Designated production company representative	Telephone	E-mail address
ES CLAUSE	1 617 661 6616	HOHO@POLE.NET

Massachusetts start date	Massachusetts end date
07/04/2011	08/01/2011

a. Did any amount of this credit(s) originate from a pass-through entity? ☐ Yes ☑ No

b. If Yes, enter name and ID number of the pass-through entity _____

1 Amount of film credit (from Application for Payroll/Production Credit). Certificate number 1020F01113 **1** 102584

Note: If you are the beneficiary of a trust, enter the amount from Schedule 2K-1, line 23, col. d.

2 Tax after credits (from Form 1, line 31; Form 1-NR/PY, line 36; Form 2, line 53; Form 355, line 8; Form 355S, line 11; Form 355U, line 27; Form M-990T, line 36; or Form M-990T-62, line 38) **2** 101770

If line 2 is greater than or equal to line 1, you do not have a refundable film credit. Enter the line 1 amount on Schedule Z, line 7 (Form 1 or Form 1-NR/PY); Form 2, line 47; Schedule 3K-1, line 5g; Schedule U-IC (Form 355U) Schedule CR (Form 355 or 355S); Form M-990T, line 30; or Form M-990T-62, line 35. Skip the remainder of this schedule. If line 1 is greater than line 2, go to line 3.

3 Subtract line 2 from line 1 **3** 814

4 Multiply line 3 by .9 (90%) **4** 733

5 Refundable film credit. Add lines 2 and 4. Enter here and on Schedule RF, line 1 (Form 1 or Form 1-NR/PY); Form 2, line 59; Form 3, Schedule 3K-1, line 5i; Form 355U, Schedule U-RF, line 1; Form 355 or Form 355S, Schedule RF, line 1; Form M-990T, line 43; or Form M-990T-62, line 43. You **must** enclose Schedule RFC with your return. Failure to do so will result in this credit being disallowed on your tax return and an adjustment of your reported tax. **5** 102503

I declare under the pains and penalties of perjury that to the best of my knowledge, the information contained herein is accurate and complete.

Signature	Date
Joe Howard	1/2/2012

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CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

Schedule S S Corporation Distributive Income 2011

Classification Information

1	Gross receipts or sales (from U.S. Form 1120S, line 1c)	54,618,718
2	Net gain. Not less than "0" (from U.S. Form 1120S, line 4)	15,000
3	Gross income from rental real estate activity (from U.S. Form 8825, line 17)	
4	Gross income from other rental activity (from U.S. Form 1120S, Schedule K, line 3a)	5,000
5	Interest income (from U.S. Form 1120S, Schedule K, line 4)	17,963
6	Dividend income (from U.S. Form 1120S, Schedule K, line 5a)	5287
7	Royalty income (from U.S. Form 1120S, Schedule K, line 6)	5,000
8	Net short-term capital gain. Not less than "0" (from U.S. Form 1120S, Schedule K, line 7)	5,000
9	Net long-term capital gain. Not less than "0" (from U.S. Form 1120S, Schedule K, line 8a)	10,000
10	Net gain under the provisions of Section 1231. Not less than "0" (from U.S. Form 1120S, Schedule K, line 9)	1,000
11	Other income. Not less than "0." See instructions	6,000
12	Add lines 1 through 11	54,688,968

S corporations sharing common ownership and engaged in a unitary business with one or more entities, complete lines 13 through 16. All other corporations, skip to line 17.

13	Receipts from inter-company transactions included in lines 1 through 11. See instructions	10,000
14	Total receipts excluding receipts from intercompany transactions. Subtract line 13 from line 12	54,678,968
15	Total aggregated receipts of all other related entities. See instructions.	
16	Add lines 14 and 15	54,678,968
17	Enter amount from line 12 or 16, whichever is applicable	54,678,968

S Corporation Income

		▼ If showing a loss, mark an X in box at left	
18	Ordinary income or loss (from U.S. Form 1120S, line 21)		4,547,620
19	Other income (from U.S. Form 1120S, Schedule K, line 10)		6,000
20	Foreign, state or local income, franchise, excise or capital stock taxes deducted from U.S. net income		54,418
21	Subtotal. Add lines 18 through 20.		4,608,038
22	Other Massachusetts gains or losses. See instructions		
23	Subtotal. Subtract line 22 from line 21		4,608,038
24	Other adjustments, if any	X	50,171
25	Massachusetts ordinary income or loss. Add lines 23 and 24		4,557,867
26	Net income or loss from rental real estate activity (from U.S. Form 1120S, Schedule K, line 2)		
27	Net income or loss from other rental activity (from U.S. Form 1120S, Schedule K, line 3c)		5,000

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28	U.S. portfolio income, excluding capital gains (from U.S. Form 1120S, Schedule K, lines 4, 5a and 6)	28	28,250
29	Interest on U.S. obligations included in line 28	29	5,000
30	5.3% interest included in line 28. Enclose statement listing sources and amounts	30	7,000
31	Other interest and dividend income included in line 28. Enclose statement listing sources and amounts	31	11,250
32	Foreign state and municipal bond interest	32	
33	Royalty income included in line 28	33	5,000
34	Other income included in line 28	34	
35	Total short-term capital gains included in U.S. Form 1120S, Schedule D, line 4	35	8,000
	▼ If showing a loss, mark an X in box at left		
36	Total short-term capital losses included in U.S. Form 1120S, Schedule D, line 4	36 X	3,000
37	Gain on the sale, exchange or involuntary conversion of property used in a trade or business and held for one year or less (from U.S. Form 4797)	37	
38	Loss on the sale, exchange or involuntary conversion of property used in a trade or business and held for one year or less (from U.S. Form 4797)	38	
39	Net long-term capital gain or loss (from U.S. Form 1120S, Schedule D, line 13)	39	10,000
40	Net gain or loss under the provisions of Section 1231 (from U.S. Form 1120S, Schedule K, line 9)	40	
41	Other long-term gains or losses. See instructions	41	
42	Long-term gains on collectibles included in line 39	42	
43	Differences and adjustments	43	

Resident and Nonresident Reconciliation

S corporations owned by a nonresident shareholder(s) and with income derived from business activities in another state, and which activities provide that state the power to levy an income tax or a franchise tax, complete Schedule F, Income Apportionment, and then lines 44 through 47.

44	Nonresident shareholder value. Enter the nonresident shareholder portion of the amounts from the following Schedule S lines.		
a.	Line 25	44a	1,823,147
b.	Line 26	44b	
c.	Line 27	44c	2,000
d.	Line 30	44d	2,800
e.	Line 31	44e	4,500
f.	Line 32	44f	
g.	Line 33	44g	2,000
h.	Line 34	44h	
i.	Line 35	44i	3,200
j.	Line 36	44j X	1,200
k.	Line 37	44k	
l.	Line 38	44l	
m.	Line 39	44m	4,000

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CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

▼ If showing a loss, mark an X in box at left

Resident and Nonresident Reconciliation (cont'd.)

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n. Line 40	44n		, ,
o. Line 41	44o		, ,
p. Line 42	44p		, ,
q. Line 43	44q		, ,

45 Nonresident taxable income. Multiply the amounts from lines 44a through q by the apportionment percentage in Form 355S, Schedule F, line 5.

a. Line 44a times apportionment percentage	45a		,957,313
b. Line 44b times apportionment percentage	45b		, ,
c. Line 44c times apportionment percentage	45c		, 1,050
d. Line 44d times apportionment percentage	45d		, 1,470
e. Line 44e times apportionment percentage	45e		, 2,363
f. Line 44f times apportionment percentage	45f		, ,
g. Line 44g times apportionment percentage	45g		, 1,050
h. Line 44h times apportionment percentage	45h		, ,
i. Line 44i times apportionment percentage	45i		, 1,680
j. Line 44j times apportionment percentage	45j	X	, ,630
k. Line 44k times apportionment percentage	45k		, ,
l. Line 44l times apportionment percentage	45l		, ,
m. Line 44m times apportionment percentage	45m		, 2,100
n. Line 44n times apportionment percentage	45n		, ,
o. Line 44o times apportionment percentage	45o		, ,
p. Line 44p times apportionment percentage	45p		, ,
q. Line 44q times apportionment percentage	45q		, ,

46 Resident shareholder value. Enter the resident shareholder portion of the amounts from the following Schedule S lines.

a. Line 25	46a		2,734,720
b. Line 26	46b		, ,
c. Line 27	46c		, 3,000
d. Line 30	46d		, 4,200
e. Line 31	46e		, 6,750
f. Line 32	46f		, ,
g. Line 33	46g		, 3,000
h. Line 34	46h		, ,

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i.	Line 35	46i		4,800
			▼ If showing a loss, mark an X in box at left	
j.	Line 36	46j	X	1,800
k.	Line 37	46k		
l.	Line 38	46l		
m.	Line 39	46m		6,000
n.	Line 40	46n		
o.	Line 41	46o		
p.	Line 42	46p		
q.	Line 43	46q		

47 Apportioned Massachusetts total. Add the amounts from lines 45a through q to the corresponding amounts from lines 46a through q.

a.	Line 45a plus line 46a	47a		3,692,033
b.	Line 45b plus line 46b	47b		
c.	Line 45c plus line 46c	47c		4,050
d.	Line 45d plus line 46d	47d		5,670
e.	Line 45e plus line 46e	47e		9,113
f.	Line 45f plus line 46f	47f		
g.	Line 45g plus line 46g	47g		4,050
h.	Line 45h plus line 46h	47h		
i.	Line 45i plus line 46i	47i		6,480
j.	Line 45j plus line 46j	47j	X	2,430
k.	Line 45k plus line 46k	47k		
l.	Line 45l plus line 46l	47l		
m.	Line 45m plus line 46m	47m		8,100
n.	Line 45n plus line 46n	47n		
o.	Line 45o plus line 46o	47o		
p.	Line 45p plus line 46p	47p		
q.	Line 45q plus line 46q	47q		

CORPORATION NAME: TEST TWO S CORP

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FEDERAL IDENTIFICATION NUMBER: 04 3333333

Shareholder Information

List all resident, nonresident and other shareholders. ☐ Fill in if attaching additional page(s) to include additional shareholders.

Social Security or Federal Identification number	Resident	Non-resident	Other	Name of shareholder (last, first)
01 8123456	●			RESIDENT, JOHN
01 8654321		●		NONRESIDENT, JANE
01 8010203	●			TRUST

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FOR PRIVACY ACT NOTICE, SEE INSTRUCTIONS.

Schedule SK-1 Shareholder's Massachusetts Information 2011

NAME OF SHAREHOLDER: JANE NONRESIDENT

TAXPAYER IDENTIFICATION NUMBER: 018654321

ADDRESS: 21 BROAD ST

CITY/TOWN/POST OFFICE: BEDFORD

STATE: MA ZIP + 4: 01730

NAME OF S CORPORATION: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

ADDRESS: 4 STORAGE ST

CITY/TOWN/POST OFFICE: CHELSEA

STATE: MA ZIP + 4: 021506371

Type of shareholder: ○ Individual resident ● Individual nonresident ○ Trust or estate ○ Bank ○ Exempt organization

Did the S corporation participate in one or more installment sales transactions?: ○ Yes ● No

If Yes, indicate whether information has been communicated to the shareholder to calculate an addition to Massachusetts tax under M.G.L. Ch. 62C, Sec. 32A based on the following Internal Revenue Code (IRC) provisions (check all that apply): ○ IRC 453A ○ IRC 453(I)(2)(B)

Shareholder's Distributive Share

▼ If showing a loss, mark an X in box at left

1	Massachusetts ordinary income or loss (from Schedule S, line 25)	1	1,823,147
2	Separately stated deductions	2	X 20,068
3	Add lines 1 and 2	3	
4	Credits available		
	a. Taxes paid to another jurisdiction (residents only)	4a	
	b. Lead Paint Credit	4b	
	c. Economic Opportunity Area Credit	4c	
	d. Economic Development Incentive Program Credit	4d	
	e. Brownfields Credit	4e	
	f. Low-Income Housing Credit	4f	
	g. Historic Rehabilitation Credit	4g	57
	h. Refundable Film Credit	4h	
	i. Film Incentive Credit	4i	
	j. Medical Device Credit	4j	23
	k. Refundable Dairy Credit	4k	
	l. Refundable Life Science Credit	4l	
	m. Life Science Company Investment Tax Credit	4m	
	n. Life Science Company FDA User Fee Credit	4n	
	o. Life Science Company Research Credit	4o	
	p. Refundable Economic Development Incentive Credit	4p	
	q. Conservation Land Credit	4q	
	r. Total credits	4r	80

BE SURE TO CONTINUE SCHEDULE SK-1 ON OTHER SIDE.

TAXPAYER IDENTIFICATION NUMBER 018654321 DRAFT

5	Net income or loss from rental real estate activity(ies) (from Schedule S, line 26)	
6	Net income or loss from other rental activity(ies) (from Schedule S, line 27)	2,000
7	Interest from U.S. obligations (from Schedule S, line 29)	2,000
8	Interest (5.3%) from Massachusetts banks (from Schedule S, line 30)	2,800
9	Other interest and dividend income (from Schedule S, line 31)	4,500
10	Non-Massachusetts state and municipal bond interest (from Schedule S, line 32)	
11	Royalty income (from Schedule S, line 33)	2,000
12	Other income (from Schedule S, line 34)	
13	Short term capital gains (from Schedule S, line 35)	3,200
14	Short term capital losses (from Schedule S, line 36)	X 1,200
15	Gain on the sale, exchange, or involuntary conversion of property used in a trade or business held for one year or less (from Schedule S, line 37)	
16	Loss on the sale, exchange, or involuntary conversion of property used in a trade or business held for one year or less (from Schedule S, line 38)	
17	Long term capital gain or loss (from Schedule S, line 39)	4,000
18	Net gain or loss under Section 1231 (from Schedule S. line 40)	
19	Other long-term gains and losses (from Schedule S, line 41)	
20	Long-term gains on collectibles (from Schedule S, line 42)	
21	Differences and adjustments (from Schedule S, line 43)	
22	Property distributions made to shareholder (from U.S. Form 1120S, Schedule K-1, line 16d)	

Shareholder's Basis Information

23	**a.** Enter the date of the federal basis. It must be 12-31-1985 or later	12271991
	b. Number of shares owned	300
	c. Shareholder's percentage of stock ownership	0.400000
	d. Dollar value of basis as of the date in line 23a	540955
24	Massachusetts basis at the beginning of the tax year	
	a. Stock	1,434,597
	b. Indebtedness	10,808
25	Net Massachusetts adjustments	
	a. Stock	7,949
	b. Indebtedness	X 1,500
26	Net federal adjustments	
	a. Stock	
	b. Indebtedness	
27	Massachusetts basis at end of tax year	
	a. Stock (add lines 24a and 25a)	1,442,546
	b. Indebtedness (add lines 24b and 25b)	9,308

TAXPAYER IDENTIFICATION NUMBER

0 1 8 6 5 4 3 2 1

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Pass-through Entity Payment and Credit Information

Declaration election code: Withholding Composite Member self-file Exempt PTE Non-profit

28	Withholding amount	28	600
29	Estimated payments	29	
30	Credit for amounts withheld by lower-tier entity(ies)	30	
31	Credit for amount of estimated payments made by lower-tier entity(ies)	31	