PRINT IN BLACK INK

FOR PRIVACY ACT NOTICE, SEE INSTRUCTIONS.

Calendar year filers enter 01-01-2012 and 12-31-2012 below. Fiscal year filers enter appropriate dates.

Tax year beginning ► 01012012 Tax year ending ► 12312012

Form 355S S Corporation Excise Return 2012

NAME OF CORPORATION: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER (FID): 043333333

PRINCIPAL BUSINESS ADDRESS: 4 STORAGE ST

CITY/TOWN/POST OFFICE: CHELSEA

STATE: MA ZIP + 4: 02150 6371

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	Is the corporation filing a Massachusetts unitary return? (see instructions)	► ○ Yes ● No
5	If the answer to question 4 is Yes, does the corporation's tax year end in a different month than the 355U?	► ○ Yes ○ No
6	Is the corporation the parent of another corporation?	○ Yes ● No
7	Is the corporation requesting alternative apportionment (enclose Form AA-1)?	► ○ Yes ● No
8	Is this a final Massachusetts return?	► ○ Yes ● No
9	Principal business code (from U.S. return)	► 9 561300
10	FID of principal reporting corporation (if answer to line 4 is Yes)	► 10
11	Average number of employees in Massachusetts	11 90
12	Average number of employees worldwide	12 150
13	Date of charter in Massachusetts or first date of business in Massachusetts	13 11271991
14	Last year audited by IRS	► 14 2001
15	Have adjustments been reported to Massachusetts?	● Yes ○ No
16	Is the corporation deducting intangible or interest expenses paid to a related entity?	► ● Yes ○ No
17	Is the taxpayer enclosing a Taxpaer Disclosure Statement?	► ○ Yes ● No
18	Is the taxpayer claiming exemption from the income measure of the excise pursuant to PL 86-272?	► ○ Yes ● No

DRAFT AS OF OCTOBER 3, 2012 (SUBJECT TO CHANGE)

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): HONEY HONEYDO	Date: 01/02/13	Print paid preparer's name: RICHARD RICHIE	Preparer's SSN or PTIN ►: 123 45 6789
Title	Date: / /	Paid preparer's phone: (617) 622 2222	Paid preparer's EIN ►: 987 65 4321
Are you signing as an authorized delegate of the appropriate corporate officer? ● (enclose Form M-2848) ○ No		Paid preparer's signature: Richard Richie	Date: 01/02/2013 ○ Fill in if self-employed

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

043 33 3333

2012 FORM 355S, PAGE 2
EXCISE CALCULATION

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) ► 2804757	× .0026 = ► 2	7292
3	Qualified taxable income and passive income ►	× .0800 = ► 3	
4	Income (from 2012 Schedule S, line 17) ► 4		54678968
5	Income taxable in Massachusetts (from Schedule E, line 27). Enter "0" if a loss ► 5		2315768
6	If line 4 is less than $6 million, enter "0". If line 4 is $6 or more, but less than $9 million, multiply line 5 by .018. If line 4 is $9 or less, multiply line 5 by .027 6		62526
7	Credit recapture (enclose Schedule(s) H and/or H-2). See instructions ► 7		14884
8	Additional tax on installment sales ► 8		17368
9	Excise before credits. Add line 1 or 2, whichever applies, to total of lines 3, 6, 7 and 8 9		102070
10	Total credits (from Schedule CR, line 15) ► 10		300
11	Excise after credits. Subtract line 10 from line 9 11		101770
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		101770
15	Voluntary contribution for endangered wildlife conservation ► 15		
16	Excise due plus voluntary contribution. Add lines 14 and 15 ► 16		101770
17	2011 overpayment applied to your 2012 estimated tax ► 17		
18	2012 Massachusetts estimated tax payments (do not include amount in line 17) ► 18		101770
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 7) ► 21		102503
22	Total payments. Add lines 17 through 21 22		204873
23	Amount overpaid. Subtract line 16 from line 22 23		103103
24	Amount overpaid to be credited to 2013 estimated tax ► 24		
25	Amount overpaid to be refunded. Subtract line 24 from line 23 Refund ► 25		103103
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	Payment due at time of filing. Make check payable to Commonwealth of Massachusetts Total due ► 29		

DRAFT AS OF
OCTOBER 3, 2012
(SUBJECT TO CHANGE)

CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

Schedule A Balance Sheet 2011

ASSETS	A. ORIGINAL COST	B. AND AMORTIZATION	C. NET BOOK VALUE
1 Capital assets in Massachusetts:			
a. Buildings ► 1a			
b. Land ► 1b			
c. Motor vehicles and trailers ► 1c	221848	186733	35115
d. Machinery taxed locally ► 1d			
e. Machinery **note** taxed locally 1e			
f. Equipment 1f	5169642	4950059	219583
g. Fixtures 1g	1806980	1648874	158106
h. Leasehold improvements taxed locally ► 1h	1197908	1133447	64461
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			477265
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 assetts in Massachusetts ► 4			477265
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

8	Inventories outside Massachusetts	8
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 477265
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 21353
13	Notes receivable	13 500000
14	Accounts receivable	14 11354071
15	Intercompany receivables (enclose Schedule A-2) ▸	15
16	Cash	16 1787
17	Other assets	17 3209893
18	Total assets	18 15564369
	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 457735
22	Intercompany payables (enclose Schedule A-3) ▸	22
23	Notes payable	23 23269
24	Miscellaneous current liabilities	24 7228974
25	Miscellaneous accrued liabilities	25 2413316
26	Total liabilities ▸	26 10123294
27	Total capital stock issued	27 3606365
28	Paid-in or capital surplus	28
29	Retained earnings and surplus reserves ▸	29
30	Undistributed S corporation net income ▸	30 1834710
31	Total capital. Add lines 27 through 30	31 5441075
32	Treasury stock	32
33	Total liabilities and capital. Do not enter less than "0"	33 15564369

CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

Schedule B Tangible or Intangible Property Corporation 2012

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. Classified 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

DRAFT AS OF OCTOBER 3, 2012 (SUBJECT TO CHANGE)

Schedule C Tangible Property Corporation

Complete only if Sched. B, line 15 is 10% or more. Enter all values as net book values from Sched. 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. Classified 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	

CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

Schedule D Intangible Property Corporation 2012

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

1	Total assets (from Schedule A, line 18)	1	15564369
2	Total liabilities (from Schedule A, line 26)	2	10123294
3	Massachusetts tangible property taxed locally (from Schedule B, line 6)	3	99576
4	Mortgages on Massachusetts tangible property taxed locally (from Schedule A, line 19a)	4	
5	Subtract line 4 from line 3. Do not enter less than "0"	5	99576
6	Investments in subsidiaries at least 80% owned (from Schedule A, line 12a)	6	
7	Deductions from total assets. Add lines 2, 5 and 6	7	10222870
8	Allocable net worth. Subtract line 7 from line 1. Do not enter less than "0"	8	5341499
9	Income apportionment percentage (from Schedule F, line 5)	9	0525088
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	10	2804757

Schedule E-1 Dividends Deduction

DRAFT AS OF OCTOBER 3, 2012 (SUBJECT TO CHANGE)

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

CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

Schedule E Taxable Income 2012

		▼ If a loss, mark an X in box at left	
1	Gross receipts or sales (from U.S. Form 1120, line 1e) ► 1		54634717
2	Gross profit (from U.S. Form 1120, line 3) ► 2		21827454
3	Other deductions (from U.S. Form 1120, line 26) ► 3		4206862
4	Net income (from U.S. Form 1120, line 28) ► 4		4418919
5	Allowable U.S. wage credit. See instructions ► 5		10000
6	Subtract line 5 from line 4 6		4408919
7	State and municipal bond interest not included in U.S. net income ► 7		5000
8	Foreign, state or local income, franchise, excise or capital stock taxes deducted from U.S. net income ► 8		54418
9	Section 168(k) "bonus" depreciation adjustment. See instructions ► 9	X	45853
10	Section 31I and 31K intangible expense add back adjustment. See instructions ► 10		2000
11	Section 31J and 31K interest expense add back adjustment. See instructions ► 11		1000
12	Federal production activity add back adjustment. See instructions ► 12		
13	Other adjustments, including research and development expenses. See instructions ► 13	X	4318
14	Add lines 6 through 13. 14		4421166
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		2000
18	Exception(s) to the add back of interest expenses (enclose Schedule ABI) ► 18		1000
19	Income subject to apportionment. Subtract the total of lines 15 through 18 from line 14 19		4418166
20	Income apportionment percentage (from Schedule F, line 5 or 1.0, whichever applies) ► 20		0525088
21	Multiply line 19 by line 20 21		2319926
22	Income not subject to apportionment ► 22		500
23	Total net income allocated or apportioned to Massachusetts. Add lines 21 and 22 ► 23		2320426
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		2320426
26	Net operating loss deduction (enclose Schedule E-2) ► 26		4658
27	Massachusetts taxable income. Subtract line 26 from line 25 27		2315768

DRAFT AS OF OCTOBER 3, 2012 (SUBJECT TO CHANGE)

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.

CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

Schedule CD Corporate Disclosure 2012

1	Charitable contributions (from U.S. Form 1120S) 1	28701
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	419121
	b. Rental housing 3b	
	c. Buildings other than rental housing 3c	
	d. Pollution control facilities 3d	
4	Standard depreciation:	
	a. Equipment 4a	337190
	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	81931
	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 2012 (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 2012 (from U.S. Schedule 4562, line 43, col. f) 8	

DRAFT AS OF OCTOBER 3, 2012 (SUBJECT TO CHANGE)

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 2012

1	Economic Development Incentive Program credit Certificate number ► 2020E98700	► 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 Certificate number ►	► 8	
9	Historic Rehabilitation credit Certificate number ► HRC123A	► 9	143
10	Film Incentive credit Certificate number ►	► 10	
11	Medical Device credit Certificate number ► 2020M00311	► 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

DRAFT AS OF OCTOBER 3, 2012 (SUBJECT TO CHANGE)

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 Life Science Jobs credit	► 4	
5	Refundable Economic Development Incentive credit	► 5	
6	Conservation Land credit Certificate number ►	► 6	
7	Total refundable credits. Add lines 1 through 5	7	102503

CORPORATION NAME

TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER

043333333

Schedule E-2 Loss Carryover Deduction

2012

Type of net operating loss being claimed. Fill in one oval: ◉ General ○ New

1 Type of return filed in 2007: ○ 355 ○ 355C ◉ 355S ○ Other

a. 2007 pre-apportionment net operating loss	1a	4000
b. 2007 amount of pre-apportionment NOL used in prior years and adjustments	1b	
c. 2007 remaining pre-apportionment loss. Subtract line 1b from line 1a	1c	4000
d. 2007 apportionment factor from the loss year	1d	0400301
e. 2007 pre-apportionment NOL. Multiply line 1c by line 1d	1e	1601
f. 2007 post-apportionment loss used in prior years	1f	
g. 2007 loss available. Subtract line 1f from line 1e	1g	1601

2 Type of return filed in 2008: ○ 355 ○ 355C ◉ 355S ○ Other

a. 2008 pre-apportionment net operating loss	2a	3100
b. 2008 amount of pre-apportionment NOL used in prior years and adjustments	2b	
c. 2008 remaining pre-apportionment loss. Subtract line 2b from line 2a	2c	3100
d. 2008 apportionment factor from the loss year	2d	0525003
e. 2008 pre-apportionment NOL. Multiply line 2c by line 2d	2e	1628
f. 2008 post-apportionment loss used in prior years	2f	
g. 2008 loss available. Subtract line 2f from line 2e	2g	1628

DRAFT AS OF OCTOBER 10, 2012 (SUBJECT TO CHANGE)

3 Type of return filed in 2009: ○ 355 ○ 355U ◉ 355S ○ Other

a. 2009 pre-apportionment net operating loss	3a	1000
b. 2009 amount of pre-apportionment NOL used in prior years and adjustments	3b	
c. 2009 remaining pre-apportionment loss. Subtract line 3b from line 3a	3c	1000
d. 2009 apportionment factor from the loss year	3d	0499009
e. 2009 pre-apportionment NOL. Multiply line 3c by line 3d	3e	499
f. 2009 post-apportionment loss used in prior years	3f	
g. 2009 loss available. Subtract line 3f from line 3e	3g	499

FEDERAL IDENTIFICATION NUMBER 043333333

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

a. 2010 pre-apportionment net operating loss	4a	1001
b. 2010 amount of pre-apportionment NOL used in prior years and adjustments	4b	
c. 2010 remaining pre-apportionment loss. Subtract line 4b from line 4a	4c	1001
d. 2010 apportionment factor from the loss year	4d	0489011
e. 2010 pre-apportionment NOL. Multiply line 4c by line 4d	4e	490
f. 2010 post-apportionment loss used in prior years	4f	
g. 2010 loss available. Subtract line 4f from line 4e	4g	490

5 Type of return filed in 2011: ○ 355 ○ 355U ● 355S ○ Other

a. 2011 pre-apportionment net operating loss	5a	900
b. 2011 amount of pre-apportionment NOL used in prior years and adjustments	5b	
c. 2011 remaining pre-apportionment loss. Subtract line 5b from line 5a	5c	900
d. 2011 apportionment factor from the loss year	5d	0489012
e. 2011 pre-apportionment NOL. Multiply line 5c by line 5d	5e	440
f. 2011 post-apportionment loss used in prior years	5f	
g. 2011 loss available. Subtract line 5f from line 5e	5g	440
6 Total available loss. Add row g of lines 1 through 5	6	4658
7 Massachusetts taxable income before net operating loss deduction (from 2012 Schedule E, line 25)	7	2320426
8 Loss carryover deduction. Enter the amount from line 6 but not greater than the amount in line 7	8	4658

DRAFT AS OF OCTOBER 10, 2012 (SUBJECT TO CHANGE)

CORPORATION NAME: TEST TWO S CORP

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Schedule F Income Apportionment

2012

Fill in applicable oval(s):

- ( ) Section 38 manufacturer
- ( ) Mutual fund service corporation reporting sales of mutual funds only
- ( ) Mututal 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:

		Massachusetts	Worldwide
a.	Property owned (averaged)	8332234	8332234
b.	Property rented (capitalized)	2800704	2800704
c.	Total property owned and rented	11132938	11132938
d.	Tangible property apportionment percentage. Divide (from line 1c) Massachusetts total by worldwide total. . . 1d		1000000

DRAFT AS OF SEPTEMBER 28, 2012 (SUBJECT TO CHANGE)

2 Payroll:

		Massachusetts	Worldwide
a.	Total payroll	15654737	25339993
b.	Payroll apportionment percentage. Divide (from line 2a) Mass. total payroll by worldwide total payroll. 2b		0617788

3 Sales:

		Massachusetts	Worldwide
a.	Tangibles (Massachusetts destination)		
b.	Tangibles (Massachusetts throwback)		
c.	Services (including mutual fund sales)	13167376	54618718
d.	Rents and royalties	10000	10000
e.	Other	5000	6000
f.	Total sales	13182376	54634718

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 0241282

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 2100352

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 46 0525088

CORPORATION NAME

TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER

043333333

Schedule H-2 Credit Recapture

2012

Complete this schedule if the taxpayer has Brownfields, Low-Income Housing, Historic Rehabilitation, 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	18725
2	Month and year property was placed in service	1204
3	Total months of useful life	468
4	Month and year property was disposed of or ceased to be in qualified use	1212
5	Number of months property was in qualified use	96
6	Adjusted credit percentage. Divide line 5 by line 3	0205128
7	Recapture percentage. Subtract line 6 from 1.0	0794872
8	Tentative recapture tax. Multiply line 7 by line 1	14884
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.	14884

DRAFT AS OF SEPTEMBER 26, 2012 (SUBJECT TO CHANGE)

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.

2012

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 36.

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 2012 or taxable year beginning **and ending**

Taxpayer name: TEST TWO S CORP

Federal Identification or Social Security number: 04 3 333333

Mailing address: 4 STORAGE ST

City/Town: CHELSEA

State: MA

Zip: 02150 6371

DRAFT AS OF SEPTEMBER 25 2012 (SUBJECT TO CHANGE)

Designated production company representative: ES CLAUSE

Telephone: 1 617 66 6616

E-mail address: HOHO@POLE.NET

Massachusetts start date: 07/04/2012

Massachusetts end date: 08/01/2012

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 2020F01113 **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 39) . . . **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 36. 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 44. 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: Joe Howard

Date: 1/2/2013

CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

Schedule S S Corporation Distributive Income 2012

CLASSIFICATION INFORMATION

1	Gross receipts or sales (from U.S. Form 1120S, line 1e)	54618718
2	Net gain. Not less than "0" (from U.S. Form 1120S, line 4)	15000
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)	5000
5	Interest income (from U.S. Form 1120S, Schedule K, line 4)	17963
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)	5000
8	Net short-term capital gain. Not less than "0" (from U.S. Form 1120S, Schedule K, line 7)	5006
9	Net long-term capital gain. Not less than "0" (from U.S. Form 1120S, Schedule K, line 8a)	10000
10	Net gain under the provisions of Section 1231. Not less than "0" (from U.S. Form 1120S, Sched. K, line 9) 10	1000
11	Other income. Not less than "0". See instructions	6000
12	Add lines 1 through 11	54688968

DRAFT AS OF OCTOBER 3, 2012 (SUBJECT TO CHANGE)

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	10000
14	Total receipts excluding receipts from intercompany transactions. Subtract line 13 from line 12	54678968
15	Total aggregated receipts of all other related entities. See instructions	
16	Add lines 14 and 15	54678968
17	Enter amount from line 12 or 16, whichever is applicable	54678968

S CORPORATION INCOME

▼ If a loss, mark an X in box at left

18	Ordinary income or loss (from U.S. Form 1120S, line 21)		4547620
19	Other income (from U.S. Form 1120S, Schedule K, line 10)		6000
20	Foreign, state or local income, franchise, excise or capital stock taxes deducted from U.S. net income		54418
21	Subtotal. Add lines 18 through 20		4608038
22	Other Massachusetts gains or losses. See instructions		
23	Subtotal. Subtract line 22 from line 21		4608038
24	Other adjustments, if any	X	50171
25	Massachusetts ordinary income or loss. Add lines 23 and 24		4557867

FEDERAL IDENTIFICATION NUMBER 043333333

26	Net income or loss from rental real estate activity (from U.S. Form 1120S, Schedule K, line 2)	26	
27	Net income or loss from other rental activity (from U.S. Form 1120S, Schedule K, line 3c)	27	5000
28	U.S. portfolio income, excluding capital gains (from U.S. Form 1120S, Schedule K, lines 4, 5a and 6)	28	28250
29	Interest on U.S. obligations included in line 28	29	5000
30	5.25% interest included in line 28. Enclose statement listing sources and amounts	30	7000
31	Other interest and dividend income included in line 28. Enclose statement listing sources and amounts	31	11250
32	Foreign state and municipal bond interest	32	
33	Royalty income included in line 28	33	5000
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	8000
36	Total short-term capital losses included in U.S. Form 1120S, Schedule D, line 4	36	X 3000
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	10000
40	Net gain or loss under the provisions of Section 1231 (from U.S. Form 1120S, Sched. 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	

DRAFT AS OF OCTOBER 3, 2012 (SUBJECT TO CHANGE)

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 44–47.

44	Nonresident shareholder value. Enter the nonresident shareholder portion of the amounts from the following Schedule S lines.		
	a. Line 25	44a	1823147
	b. Line 26	44b	
	c. Line 27	44c	2000
	d. Line 30	44d	2800
	e. Line 31	44e	4500
	f. Line 32	44f	
	g. Line 33	44g	2000
	h. Line 34	44h	

CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

RESIDENT AND NONRESIDENT RECONCILATION (cont'd.)

44

i. Line 35	44i		3200
j. Line 36	44j	X	1200
k. Line 37	44k		
l. Line 38	44l		
m. Line 39	44m		4000
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 44q by the apportionment percentage in Form 355S, Schedule F, line 5.

a. Line 44a times apportionment percentage	45a		957313
b. Line 44b times apportionment percentage	45b		
c. Line 44c times apportionment percentage	45c		1050
d. Line 44d times apportionment percentage	45d		1470
e. Line 44e times apportionment percentage	45e		2363
f. Line 44f times apportionment percentage	45f		
g. Line 44g times apportionment percentage	45g		1050
h. Line 44h times apportionment percentage	45h		
i. Line 44i times apportionment percentage	45i		1680
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		2100
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		

DRAFT AS OF OCTOBER 3, 2012 (SUBJECT TO CHANGE)

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

a. Line 25	46a		2734720
b. Line 26	46b		
c. Line 27	46c		3000
d. Line 30	46d		4200
e. Line 31	46e		6750
f. Line 32	46f		
g. Line 33	46g		3000
h. Line 34	46h		
i. Line 35	46i		4800
j. Line 36	46j	X	1800
k. Line 37	46k		
l. Line 38	46l		
m. Line 39	46m		6000
n. Line 40	46n		
o. Line 41	46o		
p. Line 42	46p		
q. Line 43	46q		

DRAFT AS OF OCTOBER 3, 2012 (SUBJECT TO CHANGE)

CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

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

a. Line 45a plus line 46a	47a	36920333
b. Line 45b plus line 46b	47b	
c. Line 45c plus line 46c	47c	4050
d. Line 45d plus line 46d	47d	5670
e. Line 45e plus line 46e	47e	9113
f. Line 45f plus line 46f	47f	
g. Line 45g plus line 46g	47g	4050
h. Line 45h plus line 46h	47h	
i. Line 45d plus line 46i	47i	6480
j. Line 45j plus line 46j	47j	X 2430
k. Line 45k plus line 46k	47k	
l. Line 45l plus line 46l	47l	
m. Line 45m plus line 46m	47m	8100
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	

DRAFT AS OF OCTOBER 3, 2012 (SUBJECT TO CHANGE)

CORPORATION NAME: TEST TWO S CORP

FEDERAL IDENTIFICATION NUMBER: 043333333

SHAREHOLDER INFORMATION

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

SOCIAL SECURITY OR FEDERAL IDENTIFICATION NUMBER	RESIDENT	NON-RESIDENT	OTHER	NAME OF SHAREHOLDER (last, first)
018123456	✓			RESIDENT, JOHN
018654321		✓		NONRESIDENT, JANE
018010203	✓			TRUST

DRAFT AS OF OCTOBER 3, 2012 (SUBJECT TO CHANGE)

FOR PRIVACY ACT NOTICE, SEE INSTRUCTIONS.

Schedule SK-1 Shareholder's Massachusetts Information 2012

NAME OF SHAREHOLDER: JANE NONRESIDENT
TAXPAYER IDENTIFICATION NUMBER: 018654321
ADDRESS: 21 BROAD ST
CITY/TOWN/POST OFFICE: BEDFORD
STATE: NH ZIP + 4: 03862
NAME OF S CORPORATION: TEST TWO S CORP
FEDERAL IDENTIFICATION NUMBER (FID): 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 a loss, mark an X in box at left	
1	Massachusetts ordinary income or loss (from Schedule S, line 25) 1		1823147
2	Separately stated deductions 2	X	20068
3	Add lines 1 and 2 3		1803079
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 Life Science Company Jobs Credit 4p		
	q. Refundable Economic Development Incentive Credit 4q		

DRAFT AS OF OCTOBER 10, 2012 (SUBJECT TO CHANGE)

BE SURE TO CONTINUE SCHEDULE SK-1 ON OTHER SIDE

TAXPAYER IDENTIFICATION NUMBER 018654321

SHAREHOLDER'S DISTRIBUTIVE SHARE (cont'd.)

4	r. Conservation Land Credit	4r	
	s. Total credits	4s	80
5	Net income or loss from rental real estate activity(ies) (from Schedule S, line 26)	5	
6	Net income or loss from other real estate activity(ies) (from Schedule S, line 27)	6	2000
7	Interest from U.S. obligations (from Schedule S, line 29)	7	2000
8	Interest (5.25%) from Massachusetts banks (from Schedule S, line 30)	8	2800
9	Other interest and dividend income (from Schedule S, line 31)	9	4500
10	Non-Massachusetts state and municipal bond interest (from Schedule S, line 32)	10	
11	Royalty income (from Schedule S, line 33)	11	2000
12	Other income (from Schedule S, line 34)	12	
13	Short-term capital gains (from Schedule S, line 35)	13	3200
14	Short-term capital losses (from Schedule S, line 36)	14	X 1200
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)	15	
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)	16	
17	Long-term capital gain or loss (from Schedule S, line 39)	17	4000
18	Net gain or loss under Schedule 1231 (from Schedule S, line 40)	18	
19	Other long-term gains and losses (from Schedule S, line 41)	19	
20	Long-term gains on collectibles (from Schedule S, line 42)	20	
21	Differences and adjustments (from Schedule S, line 43)	21	
22	Property distributions made to shareholder (from U.S. Form 1120S, Schedule K-1, line 16d)	22	

DRAFT AS OF OCTOBER 10, 2012 (SUBJECT TO CHANGE)

TAXPAYER IDENTIFICATION NUMBER 018654321

SHAREHOLDER'S BASIS INFORMATION

23	a. Enter date of federal basis (12-31-1985 or later)	23a	12271992
	b. Number of shares owned	23b	300
	b. Shareholder's percentage of stock ownership	23c	0400000
	b. Dollar value of basis as of the date in line 23a	23d	540955
24	Massachusetts basis at beginning of tax year a. Stock	24a	1434597
	b. Indebtedness	24b	10808
25	Net Massachusetts adjustments a. Stock	25a	7949
	b. Indebtedness	25b	X 1500
26	Net federal adjustments a. Stock	26a	
	b. Indebtedness	26b	
27	Massachusetts basis at end of tax year a. Stock (add lines 24a and 25a)	27a	1442546
	b. Indebtedness (add lines 24b and 25b)	27b	9308

DRAFT AS OF OCTOBER 3, 2012 (SUBJECT TO CHANGE)

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	