



2010 Infrastructure User Fee Credit

17-6-309(2) and 17-6-316, MCA

Name (as it appears on your tax return) _____

Your Social Security Number or Federal Employer Identification Number

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If this credit is passed through to you from a partnership or S corporation, enter the entity's name, FEIN and the percentage used to report the corporation's or partnership's income or loss for Montana income tax purposes.

Name _____ FEIN _____ Percentage _____ %

Complete a column for each entity that pays fees attributable to the use of the infrastructure. (If necessary, use additional pages.) Please attach a copy of the letter from the Montana Board of Investments detailing the principal and interest paid.

		Column A	Column B	Column C
1.	Entity name	1.		
2.	Federal employer identification number (FEIN)	2.		
3.	Current year infrastructure user fee credit	3.		
4.	Credit carryforward/carryback (attach a detailed schedule)	4.		
5.	Add lines 3 and 4; enter the result here. This is your total available infrastructure user fee credit.	5.		
6.	Montana tax liability. (See instructions.)	6.		
7.	Enter the lesser of line 5 or line 6 here. This is your allowable separate entity credit.	7.		

8.	Enter the total of line 7, Columns A through C here. This is your allowable infrastructure user fee credit.	8.	
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Where to Report Your Credit

Individuals

Transfer the amount on line 8 to Form 2, Schedule V.

C corporations

Transfer the amount on line 8 to Form CLT-4, Schedule C.

S corporations or Partnerships

If you are an S corporation, transfer the total of line 5, Columns A through C, to Form CLT-4S, Schedule II. If you are a partnership, transfer the total of line 5, Columns A through C, to Form PR-1, Schedule II.

When you file your Montana income tax return electronically, you represent that you have retained all documents required as a tax record and that you will provide a copy to the department upon request. If you file electronically, you do not need to mail this form to us unless we contact you for a copy.



Form IUFC General Instructions

Who can claim this credit?

A business that is created or expanded as the result of a loan made by the Montana Board of Investments to enhance economic development and create jobs in the basic sector of the economy may claim this credit for the fees attributable to the use of the infrastructure.

If my business is a partnership or an S corporation, are my partners, members or shareholders entitled to the infrastructure user fee credit?

As a partnership, an S corporation, or a limited liability company taxed as an S corporation or partnership, your partners, shareholders or members are entitled to apply the credit against their income tax or corporation license tax liability. The amount of each partner, member or shareholder's credit is based on the share of the entity's income or loss the partner, member or shareholder reports for Montana income tax purposes.

For example, if your business is an S corporation with four shareholders who each have the same number of shares of stock, each shareholder would be entitled to 25% of the total credit.

Partners, members or shareholders claiming their share of the pass-through entity's credit should include with their individual income or corporation license tax return a completed Form IUFC.

Can I carry any excess infrastructure user fee credit back to a prior year or forward to a subsequent year?

This credit may be carried back for 3 tax years or carried forward for 7 tax years. The current year credit must be applied first before applying any credit carryover.

What information do I have to include with my return when I claim this credit?

When you claim this credit, attach a copy of the letter from the Montana Board of Investments showing the current year's interest and principal paid.

What limitations apply to this credit?

The credit is limited to the taxpayer's current year tax liability. In addition, the total amount of the tax credit claimed may not exceed the amount of the loan.

Instructions

Complete a column for each entity that has a Montana infrastructure loan repayment agreement with the Montana Board of Investments. Attach a copy of the letter from the Montana Board of Investments showing the interest and principal paid. The amounts provided in the letter are based on a calendar year. If you are a fiscal filer, prorate the credit based on the number of months.

Line 1 – Enter the name of the each entity paying fees attributable to the use of an infrastructure.

Line 2 – Enter the federal employer identification number (FEIN) of each entity.

Line 3 – Your current year credit is the total of the interest and principal paid as reported in the letter from the Montana Board of Investments.

Line 4 – Enter your separate entity credit carryforward and/or carryback. Your credit for prior years needs to be calculated in the same manner as the current year. Attach a detailed schedule of your separate entity credit carryover.

Line 5 – Add lines 3 and 4; enter the result on this line. This is your total available infrastructure user fee credit.

Line 6 – Enter your Montana tax liability.

Corporation: This amount can be found on line 10 of the Montana Form CLT-4. If you are filing a combined return, and have more than one entity with activity in Montana, enter line 6h of the Schedule K-Combined for this entity.

Partnership and S corporation: The entity reports the information from line 5 to the partner or shareholder on Montana Schedule K-1.

Individual: This amount can be found on line 54 of the Montana Form 2.

Line 7 – Enter the lesser of line 5 or line 6. This is your allowable separate entity credit. The current year credit must be applied first before applying any credit carryover.

Line 8 – Add line 7, columns A through C, and enter the result here. This is your allowable infrastructure user fee credit. Enter this amount on Form 2, Schedule V for individuals or Form CLT-4, Schedule C for C corporations.

Questions? Call us toll free at (866) 859-2254 (in Helena, 444-6900).