

Montana Schedule K-1

(CLT-4S and PR-1)

Partner's/Shareholder's Share of Income (Loss), Deductions, Credits, etc.

For the calendar year 2011, or tax year beginning MM / DD / YYYY and ending MM / DD / YYYY

Part 1 Pass-Through Entity Information	<input checked="" type="checkbox"/> Mark applicable boxes: <input type="checkbox"/> Form CLT-4S <input type="checkbox"/> Form PR-1 <input type="checkbox"/> Amended Schedule K-1 <input type="checkbox"/> Final Schedule K-1			
	Entity's Name		Federal Employer Identification Number - 	
	Mailing Address	City	State	Zip Code
Part 2 Partner/Shareholder Information	Name		Federal Employer Identification Number - 	
	Mailing Address		OR	
			Social Security Number - - 	
	City	State	Zip Code	<input type="checkbox"/> Resident <input type="checkbox"/> Nonresident
Part 3 All Partners/Shareholders - Distributive Share of Montana Additions and Deductions	A Montana additions to income			
	1. Federal tax-exempt interest and dividends.....	A1.	 	00
	2. Taxes based on income or profits.....	A2.	 	00
	3. Other additions. List type _____ and amount	A3.	 	00
Part 4 Nonresident Partner/Shareholder Only - Montana Distributive Share of Income (Loss) and Deductions	B Montana deductions from income			
	1. Interest on US government obligations	B1.	 	00
	2. Deduction for purchasing recycled material	B2.	 	00
	3. Other deductions. List type _____ and amount	B3.	 	00
Part 5 Supplemental Information	1. Ordinary business income (loss)	1.	 	00
	2. Net rental real estate income (loss).....	2.	 	00
	3. Other net rental income (loss)	3.	 	00
	4. Guaranteed payments	4.	 	00
	5. Interest income	5.	 	00
	6. Ordinary dividends.....	6.	 	00
	7. Royalties.....	7.	 	00
	8. Net short-term capital gain (loss).....	8.	 	00
	9. Net long-term capital gain (loss).....	9.	 	00
	10. Net section 1231 gain (loss)	10.	 	00
	11. Other income (loss). List type _____ and amount	11.	 	00
	12. Section 179 expense deduction apportionable to Montana.....	12.	 	00
	13. Other expense deductions apportionable to Montana.....	13.	 	00
Part 6 Tax Credits and Recapture	1. Montana composite income tax paid on behalf of partner/shareholder	1.	 	00
	2. Montana income tax withheld on behalf of partner/shareholder.....	2.	 	00
	3. Montana mineral royalty tax withheld	3.	 	00
	4. Separately stated allocable nonbusiness items (include schedule)	4.	 	00
	5. Other information. List type _____ and amount	5.	 	00
Part 6 Tax Credits and Recapture	1. Insure Montana small business health insurance credit. Business FEIN _____	1.	 	00
	1a. Insure Montana small business health insurance premiums from Part 3, A - MT Additions, line 3	1a.	 	00
	2. Contractor's gross receipts tax credit. If multiple CGR accounts, please <input checked="" type="checkbox"/> mark here <input type="checkbox"/>	2.	 	00
	CGR Account ID - - CGR			
	3. Health insurance for uninsured Montanans credit.....	3.	 	00
	4. Other credit/recapture information. List type _____ and amount	4.	 	00



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Owner's Instructions for Montana Schedule K-1 (Forms CLT-4S and PR-1)

General Instructions

The Montana Schedule K-1 is required to be provided to all owners. Parts 1 and 2 are completed for all owners. Parts 3, 5 and 6 are completed for all owners only if there is applicable information. Part 4 applies to nonresident owners only. The federal Schedule K-1 cannot serve as a substitute for the Montana Schedule K-1.

Purpose of Montana Schedule K-1

Montana Schedule K-1 shows information about your share of income, gains, losses, deductions, credits and other items from an S corporation, a partnership, or a limited liability company (LLC) that is treated as an S corporation or partnership for income tax purposes. If applicable, your share of "Montana source income" is listed. You may need this information to complete the appropriate Montana tax return.

Partnership or corporation partner/shareholder. If you are a corporation, partnership, or a limited liability company treated like a corporation or partnership, the Montana Schedule K-1 shows your share of the entity's Montana statutory adjustments or tax credits that may affect the preparation of your Montana tax return.

Resident individual, estate, or trust partner/shareholder. If you are a Montana resident individual, estate, or trust, you report to Montana your entire share of the entity's income, gains, losses, and deductions included in your federal taxable income. The Montana Schedule K-1 shows your share of the entity's Montana statutory adjustments or tax credits that may affect the preparation of your Montana tax return.

Nonresident individual, estate, or trust partner/shareholder. If you are a nonresident individual, estate, or trust, the amount of your share of the entity's income, gains, losses, and deductions that are apportioned and allocated to Montana based on the entity's activity in Montana is used to determine your Montana tax liability. These items are shown in Part 4 of the Montana Schedule K-1. Unless you are a nonresident individual who elected to participate in a composite return filed on your behalf by the entity, you need to file a Montana tax return to determine your tax liability.

Composite return election. If you are a nonresident individual, a foreign C corporation, or a pass-through entity who elected to participate in a composite return filed on your behalf by the entity, you are not required to file a Montana tax return. If this applies to you, you received the Montana Schedule K-1 to show your share of tax items the entity reported and the composite tax paid on your behalf.

Amended Schedule K-1 (Forms CLT-4S and PR-1). If you received an amended Montana Schedule K-1 from the entity, and you previously filed a Montana tax return, you may need to file an amended Montana tax return to report the changes in income, gains, losses and deductions.

Montana Schedule K-1, Parts 3-6

► Part 3 – All Partners/Shareholders – Montana Adjustments

A-B. Montana Additions and Deductions

To compute Montana income taxable to pass-through entity owners, certain items have to be added to income or deducted from income. The amounts listed are the owner's share of Montana additions and deductions.

► Part 4 – Nonresident Partner/Shareholder Only—Montana Source Income (Loss)

If you are a nonresident individual, estate, trust, or pass-through entity, your share of the entity's Montana source income, gains, losses and other additions to income are shown.

4. Guaranteed payments. The guaranteed payments remain with the partner receiving the payments as reflected on the federal Schedule K-1. The portion of the guaranteed payments that represent Montana source income are reported on this line.

► Part 5 – Supplemental Information

Supplemental information which could result in adjustments to the Montana tax return is listed.

1. Montana composite income tax paid on behalf of partner/shareholder. If applicable, the amount shown on this line is the amount of Montana composite income tax paid on your behalf by the entity. If you made this election, you are not required to file your own Montana tax return. This is for your information only.

2. Montana income tax withheld on behalf of partner/shareholder. The entity was required to withhold Montana income tax for those nonresident owners who did not file a consent agreement (Form PT-AGR) or statement (Form PT-STM) and did not elect to participate in a composite return.

3. Montana mineral royalty tax withheld. If mineral rights are held by a partnership or S corporation in which you have an ownership interest, the royalty payments made to the owners may be subject to withholding if certain thresholds are met. If the partnership or S corporation attributed the withheld mineral royalty tax to you, the amount attributed is listed. This withholding should not be confused with the amounts deducted from royalty payments for production taxes.

4. Separately stated allocable nonbusiness items. All amounts that are allocable to Montana from nonbusiness activities are reported on this line.

► Part 6 – Montana Tax Credits and Recapture (If Applicable)

Any credit claimed by a partnership or S corporation has to be attributable to its owners generally using the same proportion that is used to report your share of that entity's income or loss for Montana income tax purposes. The tax credits cannot be taken as a credit against composite tax. The form includes the most common tax credits along with space to provide information about any other tax credit or recapture amount.

1-1a. Insure Montana small business health insurance credit. If the entity received a tax credit for the Insure Montana small business health insurance program, the amount entered on line 1a is the portion of the premiums paid for these policies which was reported on Montana Schedule K-1 in Part 3 as an other addition to income on line 3.

2. Contractor's gross receipts tax credit. If the entity received a tax credit for contractor's gross receipts, the CGR Account ID will be entered into the space provided and the amount entered on line 2 is your portion of the credit. If credit amounts from multiple CGR accounts are passing through to you, a schedule included with your K-1 will identify how much credit passes through to you from each CGR account.

4. Other credit/recapture information. Some tax credits have provisions requiring a recapture of the tax benefit you received in an earlier tax year (if you do not meet certain requirements in subsequent tax years).