



2011 Montana Income Tax Return for Estates and Trusts

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Form FID-3

Include a complete copy of the federal Form 1041 and all related forms and schedules.

For calendar year 2011 or tax year beginning

M	M	D	D	2	0	1	1
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 and ending

M	M	D	D	Y	Y	Y	Y
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- Mark all that apply.
- Initial return
- Final return
- Amended return
- Refund return
- NOL carryback
- Estate or filing trust made a Sec. 645 election

Name of Estate or Trust		FEIN					
Name and Title of Fiduciary		Date Entity Created					
Mailing Address		If new address <input checked="" type="checkbox"/> mark here.		Enter number of:			
City		State	Zip Code + 4	Schedules K-1 included			
				Resident individual beneficiaries			
				Nonresident individual beneficiaries			
				Other types of beneficiaries			

Entity Type			Residency Status
<input type="checkbox"/> Decedent's estate	<input type="checkbox"/> Qualified disability trust	<input type="checkbox"/> Bankruptcy estate (Chapter 11)	<input type="checkbox"/> Resident
<input type="checkbox"/> Simple trust	<input type="checkbox"/> ESBT	<input type="checkbox"/> Pooled income fund	<input type="checkbox"/> Nonresident
<input type="checkbox"/> Complex trust	<input type="checkbox"/> Grantor type trust	<input type="checkbox"/> Other _____	
	<input type="checkbox"/> Bankruptcy estate (Chapter 7)		

Enter amounts corresponding to your federal return. Round to the nearest dollar. If no entry, leave blank.

Income	1 Interest income.....	1		00
	2 Ordinary dividends.....	2		00
	3 Business income or (loss). Federal Business Code/NAICS <input type="text"/>	3		00
	4 Capital gain or (loss).....	4		00
	5 Rents, royalties, partnerships, other estates and trusts, etc.....	5		00
	6 Farm income or (loss).....	6		00
	7 Ordinary gain or (loss).....	7		00
	8 Other income. List type and amount.....	8		00
	9 Add lines 1 through 8. Total federal income.....	9		00
Line 9 must equal the total income reported on federal Form 1041. (See instructions for Electing Small Business Trust.)				
Deductions and Exemption	10 Interest.....	10		00
	11 Taxes (Do not include federal income tax deduction.).....	11		00
	12 Fiduciary fees.....	12		00
	13 Charitable deduction.....	13		00
	14 Attorney, accountant, and return preparer fees.....	14		00
	15a Other deductions not subject to the 2% floor. (Include schedule.).....	15a		00
	15b Allowable miscellaneous itemized deductions subject to 2% floor.....	15b		00
	16 Add lines 10 through 15b.....	16		00
	17 Federal adjusted total income or (loss). Subtract line 16 from line 9. (The amount on this line must equal federal Form 1041, page 1, line 17.).....	17		00
	18 Montana additions from Schedule A, line 11.....	18		00
	19 Montana deductions and subtractions from Schedule B, line 10.....	19		00
	20 Add lines 17 and 18, then subtract line 19. Montana adjusted total income or (loss)......	20		00
	21 Montana income distribution deduction from Schedule C, line 13, but not less than zero.....	21		00
	22 Exemption.....	22	2190	00
	23 Add lines 21 and 22. Total Montana income distribution deduction and exemption.....	23		00
	24 Subtract line 23 from line 20. Montana taxable income.....	24		00



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Taxes and Credits	25	Montana taxable income from line 24.....	25	00
	26	Tax from the tax table. If line 25 is zero or less, enter zero	26	00
	27	2% capital gains tax credit on undistributed capital gains only. Enter the amount from Form FID-3, Schedule E, line 7.....	27	00
	28	Subtract line 27 from line 26. If zero or less, enter zero. Resident tax after capital gains tax credit.....	28	00
	28a	Nonresident tax after capital gains credit. Enter amount from Form FID-3, Schedule F, line 18, but not less than zero	28a	00
	29	Tax on lump sum distributions	29	00
	30	Add line 28 or 28a and line 29. Total tax.....	30	00
	31	Credit for taxes paid to other states or countries. Enter the amount from Form FID-3, Schedule G, line 10. (If more than one Schedule G, enter the total of all schedules.).....	31	00
	32	Other nonrefundable credits. List credit form(s)	32	00
	33	Add lines 31 and 32. Total nonrefundable credits.....	33	00
Payments and Refundable Credits	34	Subtract line 33 from line 30. If zero or less, enter zero	34	00
	35	Endowment credit recapture tax.....	35	00
	36	Add lines 34 and 35. Tax liability.....	36	00
	37	Montana income tax withheld. Include federal Form(s) W-2 and 1099	37	00
	38	Montana pass-through entity withholding. Include Montana Schedule K-1 or Form PT-WH.....	38	00
	39a	Total Montana mineral royalty tax withheld. Include federal Form(s) 1099 and supporting schedule if any.....	39a	00
	39b	Mineral royalty tax withheld distributed to beneficiaries	39b	00
	39	Subtract line 39b from line 39a. Mineral royalty tax withheld attributable to the estate or trust.....	39	00
	40	2011 estimated tax payments and amount applied from the 2010 return.....	40	00
	41	2011 extension payments from Form EXT-FID-11.....	41	00
Tax	42	Refundable credits. List credit form(s)	42	00
	43	Add lines 37 through 42. Total payments and refundable credits.....	43	00
	44	If line 36 is greater than line 43, subtract line 43 from line 36. Tax due.....	44	00
Penalties and Interest	45	If line 43 is greater than line 36, subtract line 36 from line 43. Tax overpaid.....	45	00
	46	Interest on underpayment of estimated taxes. (See instructions on page 5.)	46	00
	47	Late file, late payment penalties and interest. (See instructions on page 5.)	47	00
	48	Other penalties. (See instructions on page 6.)	48	00
	49	Add the amounts on lines 46 through 48. Total penalties and interest.....	49	00

Continue to page 3 for the calculation of the amount the entity owes or its refund.

2011 Montana Fiduciary Income Tax Table									
If Your Taxable Income Is More Than	But Not More Than	Multiply Your Taxable Income By	And Subtract	This Is Your Tax	If Your Taxable Income Is More Than	But Not More Than	Multiply Your Taxable Income By	And Subtract	This Is Your Tax
\$0	\$2,700	1% (0.010)	\$0		\$9,700	\$12,500	5% (0.050)	\$243	
\$2,700	\$4,700	2% (0.020)	\$27		\$12,500	\$16,000	6% (0.060)	\$368	
\$4,700	\$7,200	3% (0.030)	\$74		More Than \$16,000		6.9% (0.069)	\$512	
\$7,200	\$9,700	4% (0.040)	\$146						

For Example: Taxable Income \$6,800 X 3% (0.030) = \$204. \$204 Minus \$74 = \$130 Tax

Questions? Call us toll free at (866) 859-2254 (in Helena, 444-6900) or TDD (406) 444-2830 for hearing impaired.



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Amount the Entity Owes or Its Refund	50	If the estate or trust has a tax due (amount on line 44), add lines 44 and 49 OR, if the estate or trust has a tax overpayment (amount on line 45) and it is less than line 49, subtract line 45 from line 49. Enter the result. This is the amount the estate or trust owes.	50		00
	<i>Why not e-pay? See your options at revenue.mt.gov. If writing a check, make it payable to MONTANA DEPARTMENT OF REVENUE.</i>				
	51	If the estate or trust has a tax overpayment (amount on line 45) and it is greater than line 49, subtract line 49 from line 45. Enter the result. Overpayment.	51		00
	52	Enter the amount on line 51 that the estate or trust wants applied to the 2012 estimated tax	52		00
53	Subtract line 52 from line 51 and enter the result. Refund.	53		00	

For Direct Deposit of your refund, complete 1, 2, 3 and 4. Please see instructions.	1. RTN#	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>											2. ACCT#	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>										
	3. If using direct deposit, the estate or trust is required to <input checked="" type="checkbox"/> mark one box. ▶ <input type="checkbox"/> Checking <input type="checkbox"/> Savings																							
4. Is this refund going to an account that is located outside of the United States or its territories? ▶ <input type="checkbox"/> Yes <input type="checkbox"/> No																								

Please send your completed Form FID-3 to: Montana Department of Revenue PO Box 8021 Helena, MT 59604-8021	Please provide name, address and telephone number of paid preparer.		<input type="checkbox"/> Mark this box and include a copy of the federal Form 7004 to receive the Montana extension.									
	PTIN, SSN or FEIN	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>										

May the DOR discuss this return with the tax preparer? Yes No

Signature of Fiduciary (or officer representing fiduciary)	Date	FEIN of Fiduciary (if a financial institution)	Telephone Number
X			

I declare under penalty of false swearing that the information in this tax return, including accompanying schedules and statements, is true, correct and complete.

Schedule A – Schedule of Additions

1	Interest and mutual fund dividends from state, county or municipal bonds from other states.....	1		00
2	Dividends not included in federal total income	2		00
3	Taxable federal refund.....	3		00
4	Other recoveries of amounts deducted in earlier years that reduced Montana taxable income.....	4		00
5	Montana income taxes paid or accrued.....	5		00
6	Compensation and expenditures used to compute the film production credit.....	6		00
7	Insure Montana Small Business Health Insurance Program premiums used to compute the credit.....	7		00
8a	Income from an ESBT S corporation not included in federal taxable income	8a	00	
8b	Capital gains from an ESBT S corporation not included in federal taxable income	8b	00	
8	Income from an ESBT S corporation not included in federal taxable income (add lines 8a and 8b).....	8		00
9	Expenses allocated to U.S. obligations	9		00
10	Other income. List type and amount	10		00
11	Total additions (add lines 1 through 10). Enter the total on Form FID-3, line 18.....	11		00



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Schedule B – Schedule of Deductions/Subtractions

1	Federal income tax deduction	1		00
2	Exempt interest and mutual fund dividends from federal bonds, notes, and other obligations	2		00
3	State tax refunds included on Form FID-3, line 8	3		00
4	Other recoveries of amounts deducted in earlier years that did not reduce Montana taxable income	4		00
5	Partial pension and annuity income exemption. (See worksheet and instructions.)	5		00
6	Subtraction for federal taxable U.S. Railroad Retirement Board benefits (Tier I and Tier II)	6		00
7a	Losses from an ESBT S corporation not included in federal taxable income	7a	00	
7b	Capital losses from an ESBT S corporation not included in federal taxable income	7b	00	
7	Losses from an ESBT S corporation not included in federal taxable income (add lines 7a and 7b)	7		00
8	Expenses allocated to other states' interest and mutual fund dividends	8		00
9	Other subtractions. List type and amount	9		00
10	Total deductions/subtractions (add lines 1 through 9). Enter the total on Form FID-3, line 19	10		00

Schedule C – Montana Distributable Net Income (MDNI) and Montana Income Distribution Deduction (MIDD)

1	Montana adjusted total income or (loss) from Form FID-3, line 20. If Montana adjusted total income AND the total from Form FID-3, line 4 are losses, use the smaller loss. (See instructions.)	1		00
2a	Add: Federal tax exempt income (gross)	2a	00	
2b	Less: Expenses allocated to federal tax exempt income	2b	00	
2c	Add: Income from federal obligations that is tax exempt for Montana	2c	00	
2d	Less: Expenses allocated to income from federal obligations that are tax exempt for Montana	2d	00	
2e	Add: Expenses allocated to non-Montana municipal income taxable to Montana	2e	00	
2f	Less: Non-Montana municipal income taxable to Montana	2f	00	
2	Montana adjusted tax exempt interest income	2		00
3a	Enter the amount from federal Form 1041, Schedule B, line 3	3a	00	
3b	Enter the amount from federal Form 1041, Schedule B, line 4	3b	00	
3c	Enter the amount from federal Form 1041, Schedule B, line 5	3c	00	
3	Total net capital gains. Add lines 3a through 3c	3		00
4	If the amount on Form FID-3, line 4 is a gain, enter as a negative number. If the amount on Form FID-3, line 4 is a loss, enter the loss as a positive number. (See instructions.)	4		00
5	Montana distributable net income. Combine lines 1 through 4. If zero or less, enter zero. (See instructions.)	5		00
6	If a complex trust, enter the accounting income for the tax year as determined under the governing instrument	6	00	
7	Income required to be distributed currently	7		00
8	Other amounts paid, credited or otherwise required to be distributed	8		00
9	Actual total distributions for the year. Add lines 7 and 8	9		00
10	Tax exempt income included in actual distributions included on line 9	10		00
11	Tentative income distribution deduction based on actual distributions. Subtract line 10 from line 9	11		00
12	Tentative income distribution deduction. Subtract line 2 from line 5. If zero or less, enter zero	12		00
13	Montana income distribution deduction. Enter the smaller of line 11 or line 12 and on Form FID-3, line 21. Do not enter less than zero	13		00



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Schedule D – Beneficiaries and Montana Income Distributions

List name and address of each beneficiary receiving distributions reported on Form FID-3, line 21. If more than 10 beneficiaries, include a separate schedule.

A		B		C	D
Beneficiary Information: Name Street Address City State Zip Code		Identification Number		Residency Status	Montana Income Distribution Received by Beneficiary
1		SSN		<input type="checkbox"/> Resident	00
		FEIN		<input type="checkbox"/> Nonresident	
2		SSN		<input type="checkbox"/> Resident	00
		FEIN		<input type="checkbox"/> Nonresident	
3		SSN		<input type="checkbox"/> Resident	00
		FEIN		<input type="checkbox"/> Nonresident	
4		SSN		<input type="checkbox"/> Resident	00
		FEIN		<input type="checkbox"/> Nonresident	
5		SSN		<input type="checkbox"/> Resident	00
		FEIN		<input type="checkbox"/> Nonresident	
6		SSN		<input type="checkbox"/> Resident	00
		FEIN		<input type="checkbox"/> Nonresident	
7		SSN		<input type="checkbox"/> Resident	00
		FEIN		<input type="checkbox"/> Nonresident	
8		SSN		<input type="checkbox"/> Resident	00
		FEIN		<input type="checkbox"/> Nonresident	
9		SSN		<input type="checkbox"/> Resident	00
		FEIN		<input type="checkbox"/> Nonresident	
10		SSN		<input type="checkbox"/> Resident	00
		FEIN		<input type="checkbox"/> Nonresident	
11				Total	00



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Schedule E – Capital Gains Tax Credit Calculation

1	Enter the capital gain or (loss) from Form FID-3, line 4.....	1	00
2	Enter the capital gains from an ESBT S corporation, Schedule A, line 8b.....	2	00
3	Enter the capital losses from an ESBT S corporation, Schedule B, line 7b.....	3	00
4	Add lines 1 and 2, then subtract line 3. This is the fiduciary's total net capital gains.....	4	00
5	Enter the net capital gains reported on federal Form 1041, Schedule D, Part III, line 15 column (1) Beneficiaries.....	5	00
6	Subtract line 5 from line 4. This is the amount of net capital gains eligible for the credit.....	6	00
7	Multiply line 6 by 2% (.02). This is the allowable capital gains tax credit. Enter on Form FID-3, line 27.....	7	00

Schedule F – Nonresident Estate and Trust Tax

	A Gross Income	B Montana gross source income included in column A
1	Interest income.....	00
2	Ordinary dividends.....	00
3	Business income or (loss).....	00
4	Capital gain or (loss).....	00
5	Rental real estate, royalties, partnerships, S corporations, other estates and trusts, etc.....	00
6	Farm income or (loss).....	00
7	Ordinary gain or (loss).....	00
8	Other income.....	00
9	Interest and mutual fund dividends from other states' state, county or municipal bonds.....	00
10	Dividends not included in federal total income.....	00
11	Taxable federal refund.....	00
12	Other recoveries of amounts deducted in earlier years that reduced Montana taxable income.....	00
13	ESBT S corporation income.....	00
14	Other additions.....	00
15	Add lines 1 through 14 and enter the result here. Column B is the estate or trust's Montana source income.....	00
16	Divide the amount in column B, line 15 above by the amount in column A, line 15 above and enter result here. Carry to 4 decimal places and do not enter more than 1.0000.....	<input type="text"/> . <input type="text"/> <input type="text"/> <input type="text"/>
17	Enter the resident tax after capital gains tax credit reported on Form FID-3, line 28.....	00
18	Multiply the tax on line 17 by the percentage on line 16 and enter here and on Form FID-3, line 28a. This is the estate or trust nonresident tax after capital gains tax credit.....	00

Schedule F applies to nonresident estates and trusts only. The fiduciary will use this schedule to compute the ratio of Montana source income to total income. This ratio is then multiplied by the resident tax from FID-3, line 28 to determine the nonresident tax to be reported on FID-3, line 28a.

Column A – Enter on lines 1 through 14 the gross income from Form FID-3, lines 1 through 8 and Schedule A.

Column B – Enter on lines 1 through 14 the gross Montana source income from Form FID-3, lines 1 through 8 and Schedule A.

How does a nonresident estate or trust determine its Montana source income?

For further information and a line-by-line description of Montana source income, refer to Form FID-3, Schedule F instructions beginning on page 11.



Grid for FEIN number

Schedule G – Credit for an Income Tax Liability Paid to Another State or Country

Full-year resident only

Table with 10 rows for tax liability calculation. Columns include line number, description, and amount. Line 10 is the final credit amount.

- The estate or trust is not entitled to a Montana tax credit for taxes paid to a foreign country unless it has unused federal credit that is not eligible to be carried back or carried forward to another tax year.
• The credit is limited to an income tax liability paid on income that is also taxed by Montana.
• The estate or trust will need to complete a separate Schedule G for each state or country to which it has paid an income tax liability.
• This is a nonrefundable single year credit. It cannot reduce the Montana tax liability below zero.
• No unused credit amount can be carried forward.



Grid for FEIN entry

Schedule H – Reporting of Special Transactions

Complete Schedule H only if the estate or trust filed any of the federal income tax forms described below. [X] Mark the appropriate box indicating which form(s) the estate or trust filed with the Internal Revenue Service for this tax year. If the answer is "Yes" to one or more of these forms, the entity will need to include a complete copy of the federal Form 1041.

1 The estate or trust filed federal Form 8918 – Material Advisor Disclosure Statement with the Internal Revenue Service..... [] Yes
Form 8918 is required to be filed by material advisors to any reportable transactions.

2 The estate or trust filed federal Form 8824 – Like-Kind Exchanges with the Internal Revenue Service..... [] Yes
NOTE: [X] Mark the box if the like-kind exchange includes Montana property. Nonresidents do not have to report a like-kind exchange if the properties involved do not include Montana property.
Form 8824 is used to report each exchange of business or investment property for property of a like kind.

3 The estate or trust filed federal Form 8865 – Return of U.S. Persons with Respect to Certain Foreign Partnerships with the Internal Revenue Service [] Yes
Form 8865 is used to report the information required under 26 USC 6038 (reporting with respect to controlled foreign partnerships), section 6038B (reporting of transfers to foreign partnerships), or section 6046A (reporting of acquisitions, dispositions, and changes in foreign partnership interest).

4 The estate or trust filed federal Form 8886 – Reportable Transaction Disclosure Statement with the Internal Revenue Service [] Yes
Form 8886 is used to disclose information for each reportable transaction in which the estate or trust participated.

