

# 2009 Montana Income Tax Return for Estates and Trusts

**F**  
Form FID-3

Attach a copy of your federal Form 1041 and Schedule(s) K-1

For calendar year 2009 or tax year beginning (MM-DD) \_\_\_ - \_\_\_ - **09** and ending (MM-DD-YY) \_\_\_ - \_\_\_ - \_\_\_

<b>Check all that apply:</b> <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Refund return <input type="checkbox"/> NOL carryback <input type="checkbox"/> Estate or filing trust made a 645 election	Name of estate or trust	FEIN:		
		Date entity created:		
	Name and title of fiduciary	Number of Schedules K-1 attached:		
	Mailing Address <span style="float: right;">If new address check here <input type="checkbox"/></span>	<b>Enter number of:</b>		
	City, state and zip code + 4	Resident individual beneficiaries		
	Nonresident individual beneficiaries			
	Other types of beneficiaries			
<b>Entity Type:</b>		<b>Residency status:</b>		
<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.

<b>Income</b>	1	Interest income.....	1	
	2	Ordinary dividends allocable to: (1) Beneficiaries <input style="width: 100px;" type="text"/> (2) Estate or Trust <input style="width: 100px;" type="text"/>	2	
	3	Business income or (loss). Attach federal Schedule C or C-EZ (Form 1040) NAICS <input style="width: 100px;" type="text"/>	3	
	4	Capital gain or (loss). Attach federal Schedule D (Form 1041).....	4	
	5	Rents, royalties, partnerships, other estates and trusts, etc. Attach federal Schedule E (Form 1040).....	5	
	6	Farm income or (loss). Attach federal Schedule F (Form 1040).....	6	
	7	Ordinary gain or (loss). Attach federal Form 4797.....	7	
	8	Other income. List type and amount:.....	8	
	9	Add lines 1 through 8. This is your total federal income.....	9	
Line 9 must equal your total income reported on your federal Form 1041. (See instructions for Electing Small Business Trust.)				
<b>Deductions and Exemption</b>	10	Interest <input type="checkbox"/> Check the box if federal Form 4952 is attached.....	10	
	11	Taxes (Do not include federal income tax deduction).....	11	
	12	Fiduciary fees.....	12	
	13	Charitable deduction.....	13	
	14	Attorney, accountant, and return preparer fees.....	14	
	15	Other deductions not subject to the 2% floor. (Attach schedule.).....	15	
	16	Montana deductions and subtractions from Schedule A, column A, line 10.....	16	
	17	Add lines 10 through 16.....	17	
	18	Subtract line 17 from line 9. This is your income or (loss) less deductions and adjustments.....	18	
	19	Montana additions from Schedule B, column A, line 11.....	19	
	20	Add lines 18 and 19. This is your Montana total income.....	20	
	21	Allowable miscellaneous itemized deductions subject to 2% floor from federal Form 1041, line 15b.....	21	
	22	Subtract line 21 from line 20. This is your Montana adjusted total income or (loss).....	22	
	23	Montana income distribution deduction from Schedule D, line 5.....	23	
	24	Exemption.....	24	2,110
	25	Add lines 23 and 24. This is the total of your Montana income distribution deduction and exemption.....	25	
	26	Subtract line 25 from line 22. This is your Montana taxable income.....	26	

<b>Taxes and Credits</b>	27	Montana taxable income from line 26.....	27	
	28	Tax from the tax table. If line 27 is zero or less, enter zero.....	28	
	29	2% capital gains tax credit on undistributed capital gains only.....	29	
	30	Subtract line 29 from 28. If zero or less, enter zero. This is your resident tax after capital gains tax credit.....	30	
	30a	Nonresident tax after capital gains credit. Enter here the amount from Form FID-3, Schedule F, line 18, but not less than zero.		
	31	Tax on lump sum distributions. See instructions. Attach federal Form 4972.....	31	
	32	Add lines 30 or 30a and 31. This is your total tax.....	32	
	33	Nonrefundable credits from Form FID-3, Schedule G, line 23.....	33	
	34	Subtract line 33 from line 32. If zero or less, enter zero.....	34	
	35	Endowment credit recapture tax.....	35	
36	Add lines 34 and 35. This is your 2009 tax liability.....	36		
<b>Payments and Refundable Credits</b>	37	Montana income tax withheld. Attach federal Form(s) W-2 and 1099.....	37	
	38	Montana pass-through entity withholding. Attach Montana Schedule K-1 or Form PT-WH.....	38	
	39	a. Total Montana mineral royalty tax withheld. Attach federal Form(s) 1099 and supporting schedule if any.....	39a	
		b. Mineral royalty tax withheld distributed to beneficiaries.....	39b	
		c. Subtract line 39b from 39a. This is the mineral royalty tax withheld attributable to the estate or trust.....	39c	
	40	2009 estimated tax payments and amount applied from your 2008 return.....	40	
	41	2009 extension payments from Form EXT-FID-09.....	41	
42	Refundable credits from FID-3, Schedule G, line 28.....	42		
43	Add lines 37 through 42. This is your total payments.....	43		
<b>Tax</b>	44	If line 36 is greater than line 43, subtract line 43 from line 36. This is your tax due.....	44	
	45	If line 43 is greater than line 36, subtract line 36 from line 43. This is your tax overpaid.....	45	
<b>Penalties, Interest and Contributions</b>	46	Interest on underpayment of estimated taxes. (See instructions on page 9).....	46	
	47	Late file, late payment penalties and interest. (See instructions and table on pages 9-10).....	47	
	48	Other penalties. (See instructions on page 10).....	48	
	49	Enter your Montana Voluntary Check-off Contributions from below.....	49	
	49a.	Nongame Wildlife Program <input type="checkbox"/> \$5, <input type="checkbox"/> \$10, or _____ (specify amount)		
	49b.	Child Abuse Prevention <input type="checkbox"/> \$5, <input type="checkbox"/> \$10, or _____ (specify amount)		
49c.	Agriculture in Schools <input type="checkbox"/> \$5, <input type="checkbox"/> \$10, or _____ (specify amount)			
49d.	Montana Military Family Relief Fund <input type="checkbox"/> \$5, <input type="checkbox"/> \$10, or _____ (specify amount)			
50	Add the amounts on lines 46 through 49. This is the sum of your total penalties, interest and contributions.....	50		
<b>Amount You Owe or Your Refund</b>	51	If you have a tax due (amount on line 44), add lines 44 and 50 OR, if you have a tax overpayment (amount on line 45) and it is less than line 50, subtract line 45 from line 50. Enter the result. This is the amount you owe..... Please make your check payable to MONTANA DEPARTMENT OF REVENUE.	51	
	52	If you have a tax overpayment (amount on line 45) and it is greater than line 50, subtract line 50 from line 45. Enter the result. This is your overpayment.....	52	
	53	Enter the amount on line 52 that you want applied to your 2010 estimated tax.....	53	
	54	Subtract line 53 from line 52 and enter the amount here. This is your refund.....	54	

For Direct Deposit of your refund, complete 1, 2, 3, and 4. Please see instructions on page 11.	1. RTN# <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/>	2. ACCT# <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/>
	3. If using direct deposit, you are required to 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	Name, address and telephone number of paid preparer	<input type="checkbox"/> Check this box and attach a copy of your federal Form 7004 to receive your Montana extension.
	SSN, FEIN or PTIN:	<input type="checkbox"/> Do not mail forms and instructions next year

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

Signature of fiduciary (or officer representing fiduciary)	Date	FEIN of fiduciary if a financial institution	Telephone number
<b>X</b>			

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

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

**Schedule A – Schedule of Deductions/Subtractions**

	A Total	B Beneficiaries	C Fiduciary
1 Federal income tax deduction.....1			
2 Exempt interest and mutual fund dividends from federal bonds, notes, and other obligations.....2			
3 State tax refunds included on page 1, line 8.....3			
4 Other recoveries of amounts deducted in earlier years that did not reduce Montana taxable income.....4			
5 Partial pension and annuity income exemption. See worksheet and instructions...5			
6 Montana net operating loss carry forward from Montana Form NOL Schedule B...6			
7 Subtraction for federal taxable U.S. Railroad Retirement Board benefits (Tier I and Tier II).....7			
8 .....			
9 Other subtractions. List type and amount.....9			
10 Total deductions/subtractions (add lines 1 through 9). Enter the total of column A on FID-3, page 1, line 16.....10			

**Schedule B – Schedule of Additions**

	A Total	B Beneficiaries	C Fiduciary
1 Interest and mutual fund dividends from other states' state, county or municipal bonds from other states.....1			
2 Dividends not included in federal total income.....2			
3 Taxable federal refund.....3			
4 Other recoveries of amounts deducted in earlier years that reduced Montana taxable income.....4			
5 Federal net operating loss carry forward included on page 1, line 15.....5			
6 Montana income taxes paid or accrued.....6			
7 Compensation and expenditures used to compute the film production credit.....7			
8 Insure Montana Small Business Health insurance program premiums used to compute the credit.....8			
9 ESBT S corporation income.....9			
10 Other income. List type and amount.....10			
11 Total additions (add lines 1 through 10). Enter the total of column A, on FID-3, page 1, line 19.....11			

**Schedule D – Montana Income Distribution Deduction**

A Add Schedule A, column A, line 10 and Schedule B, column A, line 11 and enter the result here.....A	
B Add Schedule A, column B, line 10 and Schedule B, column B, line 11 and enter the result here.....B	
C Divide line B by line A and enter the result here. Carry to four decimal places but do not enter more than 1.000.....C	
D Federal income distribution deduction from federal Form 1041, line 18.....D	
1 Adjusted federal income distribution deduction. Multiply line C by line D and enter the result here.....1	
2 Additions distributed to beneficiaries from Schedule B, line 11, column B.....2	
3 Add lines 1 and 2 and enter the total here.....3	
4 Subtractions affecting income distribution to beneficiaries from Schedule A, line 10, column B.....4	
5 Subtract line 4 from line 3. Enter on FID-3, page 1, line 23. This is your Montana income distribution deduction.....5	

**2009 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	\$2,600	1% (0.010)	\$0		\$9,300	\$12,000	5% (0.050)	\$233	
\$2,600	\$4,500	2% (0.020)	\$26		\$12,000	\$15,400	6% (0.060)	\$353	
\$4,500	\$6,900	3% (0.030)	\$71		More Than \$15,400		6.9% (0.069)	\$492	
\$6,900	\$9,300	4% (0.040)	\$140						

For Example: Taxable Income \$6,800 X 3% (0.030) = \$204. \$204 Minus \$71 = \$133 Tax

**Schedule E - Beneficiaries and Montana Income Distributions**

List name and address of each beneficiary receiving a portion of distributions reported on line 23. If more than 10 beneficiaries, attach a separate schedule.

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

**Schedule F - Nonresident Estate and Trust Tax**

(Include only the income that has not been distributed.)

	A Undistributed Income	B Montana source income included in column A
1 Montana source interest income.....1		
2 Montana source ordinary dividends.....2		
3 Montana source business income or (loss).....3		
4 Montana source capital gain or (loss).....4		
5 Montana source rental real estate, royalties, partnerships, S corporations, other estates and trusts, etc. ....5		
6 Montana source farm income or (loss).....6		
7 Montana source ordinary gain or (loss).....7		
8 Montana source ESBT S corporation income. ....8		
9 Montana source other income .....9		
10 Montana source interest and mutual fund dividends from other states' state, county or municipal bonds....10		
11 Montana source dividends not included in federal total income.....11		
12 Montana source taxable federal refund.....12		
13 Montana source other recoveries of amounts deducted in earlier years that reduced Montana taxable income.....13		
14 Montana source other additions .....14		
15 Add lines 1 through 14 and enter the result here. <b>This is your Montana source income.</b> .....15		
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.....16		
17 Enter your resident tax after capital gains credit reported on Form FID-3, line 30.....17		
18 Multiply the tax on line 17 by the percentage on line 16 and enter the result here and on Form FID-3, page 2, line 30a. <b>This is your nonresident tax after capital gains credit.</b> .....18		

Column A – Enter on lines 1 through 14 the undistributed income from FID-3, lines 1 through 8 and Schedule B, column C.

Column B – Enter on lines 1 through 14 the undistributed Montana source income from FID-3, lines 1 through 8 and Schedule B, column C.

**How do I determine my Montana source income when I am a nonresident trust or estate?**

In general, as a nonresident estate or trust your Montana source income is all the income that you receive for work performed in Montana, income that you receive from real or personal property that is located in Montana, and income that you receive from a business conducted in Montana. For additional information regarding Montana source income, please see the instructions on page 4.

**Where can I find further information about my 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 13.

**Schedule G – Montana Tax Credits**

**Nonrefundable credits that are single-year credits and HAVE NO carryover provision.**

1	Credit for an income tax liability paid to another state or country from Form FID-3, Schedule H, line 10.....	1	
2	College contribution credit (attach Form CC).....	2	
3	Qualified endowment credit (attach Form QEC).....	3	
4	Energy conservation installation credit (attach Form ENRG-C).....	4	
5	Alternative fuel credit (attach Form AFCR).....	5	
6	Health insurance for uninsured Montanans credit (attach Form HI).....	6	
7	Elderly care credit (attach Form ECC).....	7	
8	Recycle credit (attach Form RCYL).....	8	

**Nonrefundable credits that HAVE a carryover provision.**

9	Oilseed crushing and biodiesel/biolubricant production facility credit (attach Form OSC).....	9	
10	Biodiesel blending and storage tax credit (attach Form BBSC).....	10	
11	Contractor's gross receipts tax credit.....	11	
12	Geothermal systems credit (attach Form ENRG-A).....	12	
13	Alternative energy systems credit (attach Form ENRG-B).....	13	
14	Alternative energy production credit (attach Form AEPC).....	14	
15	Dependent care assistance credit (attach Form DCAC).....	15	
16	Historic property preservation credit (attach federal Form 3468).....	16	
17	Infrastructure users fee credit (attach Form IUFC).....	17	
18	Empowerment zone credit.....	18	
19	Increasing research activities credit (attach Form RSCH).....	19	
20	Mineral exploration incentive credit (attach Forms MINE-CRED and MINE-CERT).....	20	
21	Film employment production credit. Report your credit on this line if you have made the one-time four year carry forward election (attach Form FPC).....	21	
22	Adoption credit (attach federal Form 8839).....	22	
23	Add lines 1 through 22 and enter result here and on Form FID-3, line 33. This is your total nonrefundable credits.....	23	

**Refundable credits.**

24	Film employment production credit (attach Form FPC).....	24	
25	Film qualified expenditures credit (attach Form FPC).....	25	
26	Insure Montana small business health insurance credit. Business FEIN: _____.....	26	
27	Temporary emergency lodging credit (attach Form TELC).....	27	
28	Add lines 24 through 27 and enter result here and on Form FID-3, line 42. This is your total refundable credits.....	28	

**Montana Tax Credits**

We have listed the Montana tax credits available to you under three categories. With the exception of the capital gains tax credit, which is required to be applied before any other credit, you are not required to apply any of these tax credits against your income tax liability in any particular order.

**Nonrefundable single-year credits.** The nonrefundable single-year credits can only be used to offset the 2009 tax after capital gains credit and cannot reduce the tax liability below zero. The unused portion that exceeded the 2009 tax liability cannot be carried forward or back to other tax years.

**Nonrefundable carryover credits.** The nonrefundable carryover credits can be used to offset the 2009 tax after capital gains credit and cannot reduce the tax liability below zero. The excess credits that were not applied against the 2009 income tax liability can be carried over and used to offset future year tax liabilities.

**Refundable Credits.** The refundable credits are applied against the income tax liability with any unused credit refunded to the estate or trust.

*Please note:* If the trust is a grantor trust, the credits are reported on the Montana individual income tax return.

**Schedule H - Credit for an Income Tax Liability Paid to Another State or Country**

Full-year resident only.

1	Enter your income taxable to another state or country that is included in Montana income on Form FID-3, line 27. Where applicable, this includes your share of income taxes paid that were claimed as a deduction by your S corporation or partnership.....	1
2	Enter your total income from the other state or country you used in calculating your income tax paid to that state or country. Include in this total all income exempt from Montana income tax that was subject to tax in the other state or country. Indicate state's abbreviation. <input type="text"/> <input type="text"/>	2
3	Enter your total Montana income from Form FID-3, line 27. Where applicable, this includes your share of income taxes paid that are claimed as a deduction by your S corporation or partnership .....	3
4	Enter your total income tax liability paid to the other state or country .....	4
5	Enter your Montana tax liability from Form FID-3, line 30 .....	5
6	Divide line 1 by line 2. Enter the percentage here, but not more than 100% .....	6
7	Multiply line 4 by line 6 and enter the result here .....	7
8	Divide line 1 by line 3. Enter the percentage here, but not more than 100% .....	8
9	Multiply line 5 by line 8 and enter the result here .....	9
10	Enter here and on Form FID-3, Schedule G, line 1, the smaller of the amounts reported on lines 4, 7, or 9 above. This is your credit for an income tax paid to another state or country .....	10

You are not entitled to a Montana tax credit for taxes paid to a foreign country unless you have unused federal credit that is not eligible to be carried back or carried forward to another tax year.

- Your credit is limited to an income tax liability paid on income that is also taxed by Montana.
- You will need to complete a separate Schedule H for each state or country to which you have paid an income tax liability. You cannot combine payments on one schedule.
- This is a nonrefundable single year credit. It cannot reduce your Montana tax liability below zero.
- No unused credit amount can be carried forward.

**Schedule I – Reporting of Special Transactions**

Complete Schedule I only if your estate or trust filed any of the federal income tax forms described below. Check the appropriate box indicating which form(s) you filed with the Internal Revenue Service for this tax year. If your answer is "Yes" to one or more of these forms, you will need to attach a complete copy of your federal income tax return Form 1041.

- 1 My 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.
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- 2 My estate or trust filed federal Form 8824 – Like-Kind Exchanges with the Internal Revenue Service. ....  Yes  
NOTE: Check the box if your 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.
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- 3 My 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 My 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 you participated.