

2017 Montana S Corporation Information and Composite Tax Return

Include a complete copy of the federal Form 1120S and all related forms and schedules.

For calendar year 2017 or tax year beginning

MMDD2017

and ending

MMDDYYYY

Mark all that apply:

- Initial return
Final return
Amended return
Refund return

Name, Mailing Address, City, State, Zip Code + 4

FEIN, Enter number of: Schedules K-1 included, Resident shareholders, Nonresident shareholders, Other types of shareholders

State Incorporated in on

MMDDYYYY

Federal Business Code/NAICS

MT Secretary of State ID #

Foreign S corporations: date S corporation obtained certificate of authority from Montana Secretary of State

MMDDYYYY

Shareholders' Pro Rata Share of Income Items (Form 1120S, Schedule K)

Table with 3 columns: Description, Line Number, Amount. Includes items like Ordinary business income, Net rental real estate income, Interest income, etc.

Shareholders' Pro Rata Share of Deduction Items (Form 1120S, Schedule K)

Table with 3 columns: Description, Line Number, Amount. Includes items like Section 179 deduction, Contributions, Investment interest expense, etc.

Shareholders' Pro Rata Share of Montana Additions and Deductions to Income

Table with 3 columns: Description, Line Number, Amount. Includes items like Interest and dividends not taxable, Taxes based on income, etc.

Apportioned and Allocated Montana Source Income Schedule I Not Required (see instructions)

Table with 3 columns: Description, Line Number, Amount. Includes items like Income apportioned to Montana, Income allocated to Montana, etc.



Calculation of Amount Owed or Refund

21. Enter your Montana total composite tax from Schedule IV column H ..... 21. [ ] 00
22. Enter the sum of pass-through withholding from all Montana Schedule(s) K-1, part 5, line 2a..... 22. [ ] 00

Withholding

23. a. Total Montana mineral royalty tax withheld on your behalf (see instructions)....23a. [ ] 00
b. Mineral royalty tax withheld distributed to shareholders .....23b. [ ] 00
c. Subtract 23b from 23a. Montana mineral royalty tax withheld attributable to S corporation.....23c. [ ] 00
24. a. Total Montana pass-through withholding paid on your behalf (see instructions) ..24a. [ ] 00
b. Montana pass-through withholding distributed to shareholders .....24b. [ ] 00
c. Subtract line 24b from 24a. Montana pass-through withholding attributable to S corporation. ....24c. [ ] 00
25. Add lines 23c and 24c. This is the total withholding payments attributable to S corporation. .... 25. [ ] 00

Return Payments

26. a. 2016 overpayment applied to 2017 .....26a. [ ] 00
b. 2017 estimated payments.....26b. [ ] 00
c. 2017 extension payment.....26c. [ ] 00
d. For amended returns only—payments made with original return .....26d. [ ] 00
e. For amended returns only—previously issued refunds (see instructions) .....26e. [ ] 00
f. Add lines 26a through 26d, then subtract line 26e. This is your total return payments. ....26f. [ ] 00
27. Add lines 21 and 22, then subtract lines 25 and 26f. This is your amount due or (overpaid)..... 27. [ ] 00

Penalties and Interest (see instructions)

28. a. S corporation information return late filing penalty .....28a. [ ] 00
b. Interest on underpayment of estimated composite tax .....28b. [ ] 00
c. Composite income tax return late filing penalty .....28c. [ ] 00
d. Late payment penalty .....28d. [ ] 00
e. Interest.....28e. [ ] 00
f. Add lines 28a through 28e. This is your total penalties and interest.....28f. [ ] 00

Amount Owed or Refund

29. Add lines 27 and 28f..... 29. [ ] 00
30. If line 29 results in an amount due, enter it here. This is the amount you owe. .... 30. [ ] 00

Pay online at revenue.mt.gov. If writing a check, make it payable to MONTANA DEPARTMENT OF REVENUE.

31. If line 29 results in an overpayment, enter it here. This is your overpayment. Enter as a positive number. . 31. [ ] 00
32. Enter the amount from line 31 that you want applied to your 2018 composite estimated tax .....32. [ ] 00
33. Subtract line 32 from line 31 and enter the amount here. This is your refund. .... 33. [ ] 00

Direct Deposit Your Refund
1. RTN# [ ] 2. ACCT# [ ]
3. If using direct deposit, you are required to mark one box. [ ] Checking [ ] Savings
4. Is this refund going to an account that is located outside of the United States or its territories? [ ] Yes [ ] No

Under penalties of false swearing, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of Officer [X] Date [ ] Printed Name and Title [ ] Telephone Number [ ]

Print/Type Preparer's Name [ ] Preparer's Signature [ ] Date [ ] PTIN [ ]
Firm's Name [ ] Firm's Address [ ] Telephone Number [ ] Firm's FEIN [ ]

[ ] For Office Use May the DOR discuss this tax return with your tax preparer? [ ] Yes [ ] No.



### Schedule I – Apportionment Factors for Multistate S Corporations

Enter amounts in columns A and B. Enter percentages in column C.

	A. Everywhere	B. Montana	C. Factor
<b>1. Property Factor:</b> Use average value for real and tangible personal property.			
1a. Land	00	00	00
1b. Buildings	00	00	00
1c. Machinery	00	00	00
1d. Equipment	00	00	00
1e. Furniture and fixtures	00	00	00
1f. Leases and leased property	00	00	00
1g. Inventories	00	00	00
1h. Depletable assets	00	00	00
1i. Supplies and other	00	00	00
1j. Property of foreign subsidiaries included in combined unitary group	00	00	00
1k. Property of unconsolidated subsidiaries included in combined unitary group	00	00	00
1l. Property of pass-through entities included in combined unitary group	00	00	00
1m. Multiply amount of rents by 8 and enter result	00	00	00
<b>Total Property Value</b> add lines 1a through 1m	00	00	00
Divide the total in column B by the total in column A. Multiply the result by 100. <b>This is your property factor.</b>			1. <input type="text"/> %
<b>2. Payroll Factor:</b>			
2a. Compensation of officers	00	00	
2b. Salaries and wages	00	00	
Payroll included in:			
2c. Costs of goods sold	00	00	
2d. Other expenses and deductions	00	00	
2e. Payroll of foreign subsidiaries included in combined unitary group	00	00	
2f. Payroll of unconsolidated subsidiaries included in combined unitary group	00	00	
2g. Payroll of pass-through entities included in combined unitary group	00	00	
<b>Total Payroll Value</b> add lines 2a through 2g	00	00	
Divide the total in column B by the total in column A. Multiply the result by 100. <b>This is your payroll factor.</b>			2. <input type="text"/> %
<b>3. Sales (Gross Receipts) Factor:</b>			
3a. Gross sales, less returns and allowances	00		
3b. Sales delivered or shipped to Montana purchasers:			
(1) Shipped from outside Montana	3b.(1)	00	
(2) Shipped from within Montana	3b.(2)	00	
3c. Sales shipped from Montana to:			
(1) United States government	3c.(1)	00	
(2) Purchasers in a state where the taxpayer is not taxable	3c.(2)	00	
3d. Sales other than sales of tangible personal property (e.g., service income)	3d.	00	
3e. Net gains reported on federal Schedule D and federal Form 4797	3e.	00	00
3f. Other gross receipts (rents, royalties, interest, etc.)	3f.	00	00
3g. Sales (receipts) of foreign subsidiaries included in combined unitary group	3g.	00	00
3h. Sales (receipts) of unconsolidated subsidiaries included in combined unitary group	3h.	00	00
3i. Sales (receipts) of pass-through entities included in combined unitary group	3i.	00	00
3j. Less: All intercompany transactions	3j.	00	00
<b>Total Sales Value</b> add lines 3a through 3j	00	00	00
Divide the total in column B by the total in column A. Multiply the result by 100. <b>This is your sales factor.</b>			3. <input type="text"/> %
<b>4. Add the percentages on lines 1, 2, and 3 in column C. This is the sum of your factors.</b>			4. <input type="text"/> %
<b>5. Divide the total percentage on line 4, column C, by the number of factors that can be included in the calculation. If there is a value in column A for a factor category (Property, Payroll or Sales), you should include this factor as part of the calculation (see instructions). Enter the results here and also insert on page 1, line 18 of this form. This is your apportionment factor.</b>			5. <input type="text"/> %



**Schedule II – Montana S Corporation Tax Credits**

Type of Credit	Amount of Credit
1. Dependent Care Assistance Credit ..... include Form DCAC	00
2. College Contribution Credit ..... include Form CC	00
3. Health Insurance for Uninsured Montanans Credit ..... include Form HI	00
4. Recycle Credit ..... include Form RCYL	00
5. Alternative Energy Production Credit ..... include Form AEPC	00
6. Contractor's Gross Receipts Tax Credit. If multiple CGR accounts, mark here. <input type="checkbox"/>	
CGR Account ID: <input type="text"/> - <input type="text"/> - CGR	00
7. Alternative Fuel Credit ..... include Form AFCR	00
8. Infrastructure User Fee Credit ..... include Form IUFC	00
9. Historic Property Preservation Credit ..... include federal Form 3468	00
10. Mineral and Coal Exploration Incentive Credit ..... include Forms MINE-CERT and MINE-CRED	00
11. Empowerment Zone Credit.....	00
12. Biodiesel Blending and Storage Credit..... include Form BBSC	00
13. Innovative Educational Program Credit.....	00
14. Student Scholarship Organization Credit.....	00
15. Emergency Lodging Credit..... include Form ELC	00
16. Unlocking Public Lands Credit.....	00

Type of Credit Recapture	Amount of Credit Recapture
17. Historic Property Preservation Credit Recapture.....	00
18. Film Production Credit Recapture.....	00
19. Biodiesel Blending and Storage Credit Recapture.....	00
20. Oilseed Crushing and Biodiesel/Biolubricant Production Credit Recapture.....	00

When attributing any credit or credit recapture from an S corporation to its shareholders, use the same proportion the S corporation used to report each shareholder's income or loss for Montana tax purposes. Include a detailed breakdown that shows each shareholder's share of the credit or credit recapture.

Use Montana Schedule K-1 to notify each shareholder of the amount of credit available to the shareholder.



### Schedule IV – Montana S Corporation Composite Income Tax Schedule

<p><b>Part I. Eligible Participating Shareholders</b></p> <p>Enter the number of eligible participating shareholders. <input style="width:80px;" type="text"/></p> <p>See instructions for more information about eligible participating shareholders.</p>	<p><b>Part II. Composite Tax Ratio</b></p> <p>Use the amount in column 3 to complete the calculation in column H below.</p>	1	2	3
		Enter the amount from page 1, line 14 of this form.	Enter the amount from page 1, line 20 of this form.	Divide column 2 by column 1. Do not enter more than 1.000000.
		00	00	<input style="width:40px;" type="text"/> . <input style="width:40px;" type="text"/>

**Part III.** Enter below in columns A through H the required information and amounts for each eligible participating shareholder.

A	B	C	D	E	F	G	H	
Name	Social security number or federal employer identification number	Shareholders' share of federal income from entity	Standard deduction	Exemption \$2,400	Montana taxable income – Subtract columns D and E from column C.	Enter the appropriate tax from the tax table below.	Montana composite income tax. Multiply column G times composite tax ratio from Part II.	
1.		00	00	00	00	00	00	
2.		00	00	00	00	00	00	
3.		00	00	00	00	00	00	
4.		00	00	00	00	00	00	
5.		00	00	00	00	00	00	
6.		00	00	00	00	00	00	
7.		00	00	00	00	00	00	
8.		00	00	00	00	00	00	
9.		00	00	00	00	00	00	
10.		00	00	00	00	00	00	
11.	Enter the total composite tax from all additional pages, if used .....						11.	00
Add column H, lines 1 through 11. <b>This is your total composite income tax liability.</b>							00	

Transfer the amounts from column H to each partner's Montana Schedule K-1, Part 5, Line 1.



If additional space is needed, make copies of this page. Include all additional pages from line 11 with the tax return.

If Your Taxable Income Is More Than	But Not More Than	Multiply Your Taxable Income By	And Subtract	This Is Your Tax
\$0	\$2,900	1% (0.010)	\$0	
\$2,900	\$5,200	2% (0.020)	\$29	
\$5,200	\$7,900	3% (0.030)	\$81	
\$7,900	\$10,600	4% (0.040)	\$160	
\$10,600	\$13,600	5% (0.050)	\$266	
\$13,600	\$17,600	6% (0.060)	\$402	
More Than \$17,600		6.9% (0.069)	\$560	

### Schedule VI – Reporting of Special Transactions

Complete Schedule VI only if your small business corporation filed any of the federal forms described below. Mark 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 need to include a complete copy of your federal tax return Form 1120S.

1. The S corporation filed federal **Form 8918 – Material Advisor Disclosure Statement** with the Internal Revenue Service.  Yes

Material advisors to any reportable transactions must file Form 8918.

2. The S corporation filed federal **Form 8824 – Like-Kind Exchanges** with the Internal Revenue Service.  Yes

NOTE: Mark 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.

Use Form 8824 to report each exchange of business or investment property for property of a like-kind.

3. The S corporation filed federal **Form 8865 – Return of U.S. Persons With Respect to Certain Foreign Partnerships** with the Internal Revenue Service.  Yes

Use Form 8865 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 S corporation filed federal **Form 8886 – Reportable Transaction Disclosure Statement** with the Internal Revenue Service.  Yes

Use Form 8886 to disclose information for each reportable transaction in which you participated.

5. The S corporation filed federal **Form 8023 – Elections Under Section 338 for Corporations Making Qualified Stock Purchases** with the Internal Revenue Service.  Yes

Use Form 8023 to report elections under IRC 338 made by a purchasing corporation for a target corporation in a qualified stock purchase (QSP). In the case of a target S corporation acquisition under IRC 338(h)(10), the election must be made by all of the shareholders of a target S corporation, including those who do not sell their stock in the event of a QSP transaction.

**Complete this section if you made a disbursement to a related party.**

6. **During this tax year, the S corporation made payments to one or more related parties (excluding salary compensation) that exceed \$100,000 per recipient.**  Yes

If you answer “Yes” to this question, provide the name and federal employer identification number of each related party below and the amount that you paid to each related party:

Name	FEIN	Amount of Payment
		00
		00
		00

