



## 2014 Underpayment of Estimated Tax by Individuals, Estates and Trusts

15-30-2512, MCA

|                                 |           |  |
|---------------------------------|-----------|--|
| First Name and Initial          | Last Name | Social Security Number<br>[ ] [ ] [ ] - [ ] [ ] - [ ] [ ] [ ] [ ]          |
| Spouse's First Name and Initial | Last Name | Spouse's Social Security Number<br>[ ] [ ] [ ] - [ ] [ ] - [ ] [ ] [ ] [ ] |
| Name of Estate or Trust         |           | FEIN<br>[ ] [ ] - [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]                          |

**Part I. Required Annual Payment.** All filers must complete this part.

|  |     |  |
|--|-----|--|
| 1. Enter your 2014 combined tax liability reported on Form 2, line 54; Form 2M, line 47; Form 2EZ, line 15; or Form FID-3, line 36 .....   | 1.  |  |
| 2. Multiply line 1 by 90% (0.90) .....   | 2.  |  |
| 3a. Enter your 2014 withholding amount here. Please include income tax withheld, mineral royalty tax withheld and pass through entity withholding, if any. (Form 2, lines 55-57; Form 2M, line 48; Form 2EZ, line 16; or Form FID-3, lines 37-39)..... | 3a. |  |
| 3b. Enter your 2014 refundable credits here (Form 2, line 60; Form 2M, line 51; or Form FID-3, line 42).....   | 3b. |  |
| 3c. Enter your amount credited from your 2013 overpayment here .....   | 3c. |  |
| (If you are "married filing separately on the same form," enter the sum of columns A and B for any item above.)  |     |  |
| 3. Add lines 3a through 3c and enter the result here.....  | 3.  |  |
| 4. Subtract line 3 from line 1. If your result is less than \$500, stop here. You do not owe interest on your underpayment.....  | 4.  |  |
| 5. Enter the 2013 combined total tax liability reported on Form 2, line 54; Form 2M, line 47; Form 2EZ, line 15; or Form FID-3, line 36 .....  | 5.  |  |
| 6. <b>Required Annual Payment.</b> Enter the smaller of line 2 or line 5. If line 3 is equal to or more than line 6, stop here. No interest for underpayment of estimates is due .....   | 6.  |  |

**Part II. Short Method.** Use this method if you did not make estimated tax payments or if you made estimated tax payments on the due dates and in four equal amounts. Otherwise, use the regular method (Part III).

|  |     |  |
|--|-----|--|
| 7. Enter the amount, if any, from line 3 above .....   | 7.  |  |
| 8. Enter the total amount, if any, of estimated tax payments made, not including amounts credited from prior years .....   | 8.  |  |
| 9. Add lines 7 and 8.....  | 9.  |  |
| 10. Subtract line 9 from line 6. This is your total underpayment for 2014. If the result is zero or less, stop here. You do not owe interest on your underpayment of estimated tax.....  | 10. |  |
| 11. Multiply line 10 by 0.05320 and enter the result .....   | 11. |  |
| 12. If the amount on line 10 was paid on or after April 15, 2015, enter zero. If the amount on line 10 was paid before April 15, 2015, multiply amount on line 10 by number of days paid before April 15, 2015 x 0.0002192 ..... | 12. |  |
| 13. Subtract line 12 from line 11 and enter the result here and on Form 2, line 66; Form 2M, line 57; Form 2EZ, line 17; or Form FID-3, line 46. <b>This is your interest on the underpayment of estimated taxes.</b> .....      | 13. |  |

**Part III. Regular Method.** Use this method if you made payments of unequal amounts. The due dates shown are for calendar year taxpayers. Adjust these dates accordingly for fiscal year returns.

Complete lines 14 through 17 in each column before going to line 18.

|   | A       | B       | C       | D       |
|---|---------|---------|---------|---------|
|   | 4/15/14 | 6/16/14 | 9/15/14 | 1/15/15 |
| 14. Required quarterly payment. Divide line 6 from page 1 by four (4) and enter the result in each column.....          |         |         |         |         |
| 15. Add lines 3a and 3b from page 1 and enter one-fourth of the amount in each column .....                             |         |         |         |         |
| 16. Subtract line 15 from line 14.....  |         |         |         |         |
| 17. Enter the amount of estimated tax paid by each date. (Include the amount from line 3c on page 1 in column A.) ..... |         |         |         |         |

Complete lines 18 through 24 of one column before going to the next column.

- 18. Overpayment from previous quarter. Enter the amount, if any, from line 24 of the previous column..... 18.
- 19. Estimated payments for the quarter. Add lines 17 and 18..... 19.
- 20. Total underpayment to date. Add the amounts from lines 22 and 23 of the previous column and enter the result .....
- 21. Subtract line 20 from line 19. If zero or less, enter zero .....
- 22. Underpayment from previous quarters. If the amount on line 21 is zero, subtract line 19 from line 20. Otherwise, enter zero .....
- 23. **Current quarter underpayment.** If line 21 is equal to or less than line 16, subtract line 21 from line 16 and enter the result. If line 21 is greater than line 16, go to line 24..... 23.
- 24. **Overpayment.** If line 16 is less than line 21, subtract line 16 from line 21 and enter the result. Then go to line 18, next column..... 24.

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Complete lines 25 through 27 of the columns where there is an amount on line 23.

- 25. Enter the date(s) you paid the amount on line 23 or the 15th day of the fourth month after the close of the tax year, whichever is earlier (see instructions) .....
- 26. Enter the number of days from the installment due date to the date shown on line 25 (see instructions) .....
- 27. **Interest.** Multiply line 23 x days from line 26 x 8% / 365 days .....
- 28. **Interest on Underpayment of Estimated Tax.** Add the amounts on line 27 of each column. Enter total here and on Form 2, line 66; Form 2M, line 57; Form 2EZ, line 17; or Form FID-3, line 46..... 28. \$

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| 2014 Montana Individual 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                                      | \$2,800           | 1% (0.010)                      | \$0          |                  | \$10,300                            | \$13,300          | 5% (0.050)                      | \$257        |                  |
| \$2,800                                  | \$5,000           | 2% (0.020)                      | \$28         |                  | \$13,300                            | \$17,100          | 6% (0.060)                      | \$390        |                  |
| \$5,000                                  | \$7,600           | 3% (0.030)                      | \$78         |                  | More Than \$17,100                  |                   | 6.9% (0.069)                    | \$544        |                  |
| \$7,600                                  | \$10,300          | 4% (0.040)                      | \$154        |                  |                                     |                   |                                 |              |                  |

For example: Taxable income \$6,800 X 3% (0.030) = \$204.

\$204 minus \$78 = \$126 tax

If you file your Montana tax return electronically, you do not need to mail this form to us unless we ask you for a copy. When you file electronically, you represent that you have retained the required documents in your tax records and will provide them upon the department's request.

**Part IV. Annualized Income Installment Method Worksheet.** Complete lines 29 through 53 only if computing installments using annualized income installment method.

Complete each column beginning with Column A through line 53 before completing the next column.

|   | A                 | B                 | C                 | D                  |
|---|-------------------|-------------------|-------------------|--------------------|
| Estates and trusts, do not use the period ending dates shown to the right. Instead, use the following: 2/28/14, 4/30/14, 7/31/14 and 11/30/14.  | 1/1/14 to 3/31/14 | 1/1/14 to 5/31/14 | 1/1/14 to 8/31/14 | 1/1/14 to 12/31/14 |
| 29. Montana adjusted gross income for the period. (Estates and trusts, enter your taxable income without your exemption for each period.)..... 29.  |                   |                   |                   |                    |
| 30. Annualization amounts. Estates and trusts, do not use the amounts shown in columns (a)–(d). Instead, use 6, 3, 1.71429 and 1.09091, respectively, as the annualization amounts..... 30.                     | 4                 | 2.4               | 1.5               | 1                  |
| 31. Annualized income. Multiply line 29 by line 30..... 31.   |                   |                   |                   |                    |
| 32. *Enter your itemized deductions for the period shown. (Estates and trusts, enter -0-; skip to line 37, and enter the amount from line 31 on line 37.)..... 32.  |                   |                   |                   |                    |
| 33. Annualization amounts..... 33.  | 4                 | 2.4               | 1.5               | 1                  |
| 34. Multiply line 32 by line 33..... 34.  |                   |                   |                   |                    |
| 35. **Enter the full amount of your standard deduction..... 35.   |                   |                   |                   |                    |
| 36. Enter the larger of line 34 or line 35..... 36.   |                   |                   |                   |                    |
| 37. Subtract line 36 from line 31..... 37.  |                   |                   |                   |                    |
| 38. Multiply \$2,330 by number of exemptions. (Estates and trusts enter the exemption amount shown on your tax return.)..... 38.  |                   |                   |                   |                    |
| 39. Subtract line 38 from line 37..... 39.  |                   |                   |                   |                    |
| 40. Figure the tax on the amount on line 39 using the tax table on page 2..... 40.  |                   |                   |                   |                    |
| 41. If you have net capital gains included in your Montana adjusted gross income on line 29, multiply the net capital gains amount by 2% (0.02) and enter the result of your capital gains credit here..... 41. |                   |                   |                   |                    |
| 42. Subtract line 41 from line 40 and enter the result here..... 42.  |                   |                   |                   |                    |
| 43. Enter nonrefundable tax credits for each period..... 43.  |                   |                   |                   |                    |
| 44. Subtract line 43 from line 42..... 44.  |                   |                   |                   |                    |
| 45. Applicable percentage..... 45.  | 22.5%             | 45%               | 67.5%             | 90%                |
| 46. Multiply line 44 by line 45..... 46.  |                   |                   |                   |                    |
| 47. Add the amounts in all preceding columns of line 53..... 47.  |                   |                   |                   |                    |
| 48. Subtract line 47 from line 46. If less than zero, enter zero..... 48.   |                   |                   |                   |                    |
| 49. Divide line 6, Part I of this form, by four (4) and enter the result in each column..... 49.  |                   |                   |                   |                    |
| 50. Enter the amount from line 52 of the preceding column of this worksheet..... 50.  |                   |                   |                   |                    |
| 51. Add lines 49 and 50 and enter the result..... 51.   |                   |                   |                   |                    |
| 52. If line 51 is more than line 48, subtract line 48 from line 51; otherwise, enter zero..... 52.  |                   |                   |                   |                    |
| 53. Enter the smaller of line 48 or line 51 here and on line 14 of Part III..... 53.  |                   |                   |                   |                    |

\* If you do not itemize deductions, enter zero.

\*\* The standard deduction is 20% (0.20) of line 31, subject to the following limitations:

- Single or separate - no less than \$1,940, no more than \$4,370
- Married or head of household - no less than \$3,880, no more than \$8,740

## Form EST-I Instructions

### Purpose of Form

Use EST-I (2014 Underpayment of Estimated Tax by Individuals, Estates and Trusts) to determine if you owe interest on the underpayment of estimated tax and, if you do, to figure the amount of the interest.

### Who Must File Form EST-I?

You are not required to file Form EST-I but can use it to figure your interest on your underpayment if you wish to do so.

### Who Must Pay the Interest on the Underpayment of Estimated Tax?

In general, you may owe interest on the underpayment of estimated tax for 2014 if you did not make the required quarterly payments totaling at least 90% of your 2014 income tax liability (after applying any withholding and/or credits) or 100% of your 2013 income tax liability (after applying any withholding and/or credits).

**Interest is figured separately for each required payment.** The interest is figured separately for each installment due date. Therefore, you may owe interest for an earlier due date even if you paid enough tax later to make up the underpayment. This is true even if you are due a refund when you file your tax return. However, you may be able to reduce or eliminate the interest by using

the annualized income installment method. For details, see Form EST-I, Part IV, Annualized Income Installment Method Worksheet.

**Return.** In these instructions, "return" refers to your original return.

### Exceptions to Interest on the Underpayment of Estimated Tax

You were not required to make estimated tax payments and, therefore, will not have to pay interest if any of the following conditions apply to you:

- Your 2013 tax period covered 12 months and your Montana tax liability was zero;
- Your 2014 income tax due after credits and withholding is less than \$500. To determine whether your tax due is less than \$500, complete Part I, lines 1 through 4;
- You are a nonresident or part-year resident and were not required to file a 2013 Montana income tax return;
- You retired and were at least 62 years of age (This exception applies only in the year you retire and for one additional year following the year of retirement.);
- You became disabled in 2013 or 2014 or
- At least 2/3 of your gross income is derived from farming or ranching operations.

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| Complete this part to calculate your interest on the underpayment of estimated taxes. This part only applies in specific situations which are outlined in this section of the instructions. |   |
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| Complete this part to calculate your interest on the underpayment of estimated taxes. This part must be used if you are not eligible to use the short method.                               |   |
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| This part may be used if your income varied during the year and it must be completed before Part III if you are annualizing.  |   |

**Part I. Required Annual Payment**

Complete lines 1 through 6 to figure your required annual payment.

For this part, if you are married filing separately on the same form, you will need to add the amounts from both columns of Form 2 together.

If you filed an amended return, use the amounts shown on your original return to figure your underpayment.

**Line 1.** Enter the amount from your 2014 Form 2, line 54; Form 2M, line 47; or Form 2EZ, line 15. For an estate or trust, enter the amount from Form FID-3, line 36.

**Line 3a.** Enter the taxes withheld from Form 2, lines 55 through 57; Form 2M, line 48; or Form 2EZ, line 16. For an estate or trust, enter the amount from Form FID-3, lines 37 through 39.

**Line 3b.** Enter your 2014 refundable credits. This amount can be found on Form 2, line 60; Form 2M, line 51; or FID-3, line 42.

**Line 3c.** Enter the amount of any overpayment you had in 2013 that you chose to carry forward to 2014.

**Line 4.** Subtract line 3 from line 1. If the result is less than \$500, you do not need to continue filling out this form. You do not owe interest on your underpayment.

**Line 5.** Enter the amount from your 2013 Form 2, line 54; Form 2M, line 47; or Form 2EZ, line 15. For an estate or trust, enter the amount from Form FID-3, line 36.

**Line 6.** Enter the smaller of line 2 or 5. If total withholding, refundable credits and any overpayment from 2013 on line 3 is equal to or more than this line, you do not owe any interest on the underpayment of estimated taxes.

**Part II. Short Method**

You may use the short method if either of the following situations apply to you:

- You did not make estimated tax payments; or
- You made all of your estimated tax payments on or before the due dates and in four equal amounts.

If you can use the short method, complete lines 7 through 10 to figure your total underpayment for the year, and lines 11 through 13 to figure the interest.

If you are filing Form 2EZ, stop here. Do not use the regular method in Part III to calculate your interest on the underpayment of estimated taxes.

**Part III. Regular Method**

Use the regular method if you are not eligible to use the short method. You must use the regular method if you made payments of unequal amounts and/or you made the payments after the due dates.

If you are using the annualized method, you will need to complete Part IV before beginning Part III.

**Figure Your Quarterly Underpayment/Overpayment (Lines 14-24)**

**Line 14.** Enter on line 14, columns A through D, the amount of your required installment for the due date shown in each

column heading. For most taxpayers, this is one-fourth of the required annual payment shown in Part I, line 6.

**Line 15.** Add lines 3a (withholding) and 3b (refundable tax credits) from Part I on page 1. Divide the result by 4 and enter that amount in each column. The sum of all four columns should equal the sum of lines 3a and 3b from page 1.

**Line 17.** List your estimated tax payments for 2014. Before completing line 17, enter in Table 1 the payments you made for 2014. Include the following payments:

- Any overpayment from your 2013 return applied to your 2014 estimated tax payments. Treat the payment as made on April 15, 2014.
- Estimated tax payments you made for the 2015 tax year.

**Table 1. Estimated Tax Payments**

| Date | Payments | Date | Payments |
|------|----------|------|----------|
|      |          |      |          |
|      |          |      |          |
|      |          |      |          |
|      |          |      |          |
|      |          |      |          |
|      |          |      |          |
|      |          |      |          |

**Entries on Form EST-I.** Enter on line 17 the following tax payments.

- Column A—total payments you made by April 15, 2014, including any 2013 overpayment that was applied to 2014.
- Column B—total payments you made after April 15, 2014, through June 16, 2014.
- Column C—total payments you made after June 16, 2014, through September 15, 2014.
- Column D—total payments you made after September 15, 2014, through January 15, 2015.

When figuring your payment dates and the amounts to enter on line 17 of each column, apply the following rules.

- Include all estimated tax payments you made for each period. Include any overpayment from your 2013 tax return you elected to apply to your 2014 estimated tax. If your 2013 return was fully paid by the due date, treat the overpayment as a payment made on April 15, 2014.
- If an overpayment is generated on your 2013 return from a payment made after the due date, treat the payment as made on the date of payment. For example, you paid \$500 in tax due on your 2013 return on July 2, 2014, and later amended the return and were due a \$400 refund which you elected to have applied as an estimated payment to your 2014 taxes. The \$400 overpayment would be treated as paid on July 2.

**Example 1.**

You filed your 2013 tax return on June 1, 2014, showing a \$2,000 refund. You elected to have \$1,000 of your 2013 overpayment applied to your 2014 estimated tax payments. In 2014, you had \$4,000 of Montana income tax withheld from wages. You also made \$500 estimated tax payments on September 15, 2014 and January 15, 2015. On line 15, in each column, enter \$1,000 (one-fourth of total 2014 withholding). On line 17, column A, enter \$1,000 (2013 overpayment applied to 2014). In column B, enter \$0 (no estimated tax payment was made for this period), and in columns C and D, enter \$500 (estimated tax payment).

**Part III. Regular Method.** Use this method if you made payments of unequal amounts. The due dates shown are for calendar year taxpayers. Adjust these dates accordingly for fiscal year returns.

Complete lines 14 through 17 in each column before going to line 18.

- 14. Required quarterly payment. Divide line 6 from page 1 by four (4) and enter the result in each column..... 14.
- 15. Add lines 3a and 3b from page 1 and enter one-fourth of the amount in each column ..... 15.
- 16. Subtract line 15 from line 14..... 16.
- 17. Enter the amount of estimated tax paid by each date. (Include the amount from line 3c on page 1 in column A.) ..... 17.

| A       | B       | C       | D       |
|---------|---------|---------|---------|
| 4/15/14 | 6/16/14 | 9/15/14 | 1/15/15 |
|         |         |         |         |
| 1,000   | 1,000   | 1,000   | 1,000   |
|         |         |         |         |
| 1,000   | 0       | 500     | 500     |

**Line 23. Current quarter underpayment**

If line 23 is zero for all payment periods, you do not owe interest on your underpayment.

**Figure the Interest (Lines 25-28)**

Complete lines 25 through 28 of Part III to figure your interest for each period by applying the appropriate rate against each underpayment shown on line 23 of Part III. Interest is figured for the number of days that each underpayment remains unpaid. Use line 26 to show the number of days an underpayment remained unpaid. Use line 27 to figure the actual interest amount by applying the appropriate rate to an underpayment for the number of days it remained unpaid.

Your payments are applied first to any underpayment balance on an earlier required installment. It does not matter if you designate a payment for a later period. See Example 2.

**Example 2.**

You had a \$500 underpayment remaining after your April 15 payment. The June 17 installment required a payment of \$1,200. On June 10, you made a payment of \$1,200 to cover the June 17 installment. However, \$500 of this payment is applied first to the April 15 installment. The interest for the April 15 installment is figured from April 15 to June 10 (56 days). The amount remaining to be applied to the June 17 installment is \$700.

**Line 25.** If more than one payment was applied to fully pay the underpayment amount in a column (line 23), enter on line 25 the date and amount applied up to the underpayment amount. If a payment was more than the underpayment amount, enter the excess in the next column with the same date. See Example 3.

**Example 3.**

Your required installment for each payment due date is \$4,000. You made the following estimated tax payments.

| Date    | Payments |
|---------|----------|
| 4/30/14 | \$2,000  |
| 6/16/14 | \$3,000  |
| 9/15/14 | \$4,000  |
| 1/15/15 | \$4,000  |

Line 23, column A, shows \$4,000. You enter "4/30 \$2,000" and "6/16 \$2,000" on line 25, column A. The remaining \$1,000 (\$3,000 – \$2,000) of the June 16 payment is entered on line 25, column B, "6/17 \$1,000." Also enter "9/15 \$3,000" on line 25, column B, because \$3,000 of the \$4,000 September payment must be used to fully pay the June underpayment. Continue in this manner until all your payments are used.

**Line 26.** If more than one payment was applied to an underpayment on line 23, enter the number of days each payment was late. See Example 4.

**Example 4.**

Using the same facts as Example 3 above, enter "15" (number of days from 4/15 to 4/30) and "63" (number of days from 4/15 to 6/17) on line 26, column A (see illustration under Example 5).

**Line 27.** If more than one payment was required to fully satisfy an underpayment amount, make a separate computation for each payment. See Example 5. If you filed your tax return by January 31 and paid in full the amount due as computed on the return, there is no underpayment interest penalty calculated on the fourth installment payment; enter \$0 for column D.

**Example 5.**

Assume the same facts as in Example 3. On line 27, enter the interest for each underpayment: "6.58" ( $\$2,000 \times (15 \times 0.08 \div 365)$ ) and "\$27.62" ( $\$2,000 \times (63 \times 0.08 \div 365)$ ). The entries are illustrated below.

|   | A                  | B       | C       | D       |
|---|--------------------|---------|---------|---------|
|   | 4/15/14            | 6/16/14 | 9/15/14 | 1/15/15 |
| 25. Enter the date(s) you paid the amount on line 23 or the 15th day of the fourth month after the close of the tax year, whichever is earlier (see instructions) ..... | 4/30/14<br>6/16/14 |         |         |         |
| 26. Enter the number of days from the installment due date to the date shown on line 25 (see instructions) .....  | 15<br>63           |         |         |         |
| 27. <b>Interest.</b> Multiply line 23 x days from line 26 x 8% / 365 days .....   | 6.58<br>27.62      |         |         |         |

**Part IV. Annualized Income Installment Method**

If your income varied during the year because, for example, you operated your business on a seasonal basis or had a large capital gain late in the year, you may be able to lower or eliminate the amount of one or more required installments by using the annualized income installment method. Use Part IV to figure the required installments to enter on line 14 of Part III.

If you use Part IV for any payment due date, you must use it for all payment due dates.

To use the annualized income installment method to figure interest on the underpayment of estimated tax payments, you must do all of the following:

1. Complete Part IV, lines 29 through 53. Enter the amounts from Part IV, line 53, columns A through D, in the corresponding columns of Part III, line 14.
2. Complete Part III to figure the interest.

To figure the amount of each required installment, Part IV selects the smaller of the annualized income installment or the regular installment (that has been increased by the amount saved by using the annualized income installment method in figuring any earlier installments).

**Line 29.** For each period (column), figure your Montana adjusted gross income. Include your share of partnership or S corporation income or loss items for the period. Please note that each column will include the amount from the previous column because they are cumulative. For example, column B will include the amount from column A as well as your Montana adjusted gross income from 4/1/14 through 5/31/14.

**Line 30.** Estates and trusts do not use the amounts shown in columns A through D. Instead, use 6, 3, 1.71429, and 1.09091, respectively, as the annualization amounts.

**Line 32.** Enter your itemized deductions for each period. If you do not itemize deductions, enter zero in columns A through D and continue to line 35. Please note that each column will include the amount from the previous column

because they are cumulative. For example, column B will include the amount from column A as well as your itemized deductions from 4/1/14 through 5/31/14.

Estates and trusts will need to enter zero and continue to line 37. Enter the amount from line 31 on line 37.

**Line 35.** Enter the full amount of your standard deduction. This is 20% (0.20) of line 31, but if your filing status is:

- Single or married filing separately, do not enter less than \$1,940 or more than \$4,370, or
- Married filing jointly or head of household, do not enter less than \$3,880 or more than \$8,740.

**Line 38.** For each column, multiply \$2,330 by your total exemptions. Your total exemptions can be found on your 2014 Form 2, line 6d or Form 2M, line 5d. If you filed Form 2EZ in 2014 enter \$2,330 if your filing status was single, or \$4,660 if your filing status was married filing jointly.

Estates and trusts will need to enter \$2,330 on this line.

**Line 40.** To compute the tax, use the 2014 Montana Individual Income Tax Table located at the bottom of Form EST-I, page 2.

**Line 41.** If net capital gains are included in your Montana adjusted gross income reported on line 29, multiply the net capital gains amount by 2% (0.02) and enter the result on this line.

**Line 43.** Enter your nonrefundable tax credits for each period. For a complete list and description of Montana nonrefundable tax credits, please see Form 2, Schedule V and Form 2 instructions.

**Line 53.** Enter the smaller of line 48 or line 51. You will also need to enter this amount on line 14 of Part III and continue through the calculations of Part III to calculate the interest on the underpayment of estimated tax.

**Administrative Rules of Montana:** 42.17.304 through 42.17.317

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