



Montana Tax News You Can Use

Mike Kadas confirmed as director

On March 16, the full Montana Senate confirmed Mike Kadas as Director of the Montana Department of Revenue.

George Olsen of the Montana Society of Certified Public Accountants was one of several people who testified to the Senate Taxation Committee in favor of confirming Kadas. "We're very impressed with his willingness to meet and work with us," Olsen said. "We look forward to a good relationship with Director Kadas."

Kadas was appointed by Governor Steve Bullock and began work at the department when the new administration took office in early January.

Kadas told the Senate Taxation Committee that he'll operate with basic principles of professionalism, efficiency, courtesy and fairness. Kadas was asked by the committee to list his three top goals. He said they are digitalization, a simplified and streamlined tax system, and a good working relationship with the legislature.

"Digitization includes how we pay our taxes," said Kadas. "We can't follow. We need to keep up and anticipate changes, or lead."

Kadas said simplifying the tax system includes understanding. "Developing transparency and insuring that folks understand how the system of taxation works leads to acceptance of paying taxes."

About legislative relations, Kadas said we can honestly disagree and listen. "It's not about one issue but about a long term relationship. We're jointly running this multi-billion dollar service business of government."

Welcome letters

The Department of Revenue mails "welcome letters" to businesses and organizations that have registered or qualified with the Montana Secretary of State during the past month. The letter establishes communication with new businesses and asks for information that helps us keep our records up-to-date and ensure compliance.

Included with the letter is a list of frequently asked questions and answers, which should help new businesses determine their filing requirements,

such as the type of tax return they need to file and the due date of that return.

We have sent the welcome letters to C and S corporations for several years but we expanded it to include partnerships and LLCs beginning last July. We extend a thank you to all of the business owners who have taken the time to respond to these letters.

Extended hours at the Call Center

Anyone who has questions about filing taxes can call the department's Call Center toll free at (866) 859-2254, or in Helena at 444-6900. Regular Call Center hours are Monday through Friday, 8 a.m. to 5 p.m.

We will be extending those hours during the last week of tax season. From Monday, April 8 through Friday, April 12, we will be available from 7 a.m. until 6 p.m. On Monday, April 15, we will be available from 7 a.m. until 8 p.m.

Office of Taxpayer Assistance

Have you heard about the Office of Taxpayer Assistance? It assists taxpayers when their communication with the Department of Revenue has broken down or when they are unable to resolve their problems through the department's normal channels.

The office handled about 140 cases last year. Referrals come from a variety of sources -- directly from taxpayers, from tax preparers, the department director, auditors and collectors, our call center, the governor's office, other state agencies, the IRS, STAB, state legislators and even members of Congress.

If you encounter an issue with a client whereby communication with the department has broken down or become extremely difficult, call the department director's office at (406) 444-1900 or call Rich Bechtel, Director of the Office of Taxpayer Assistance and Public Outreach, at (406) 444-5845. To learn more, click [here](#) or e-mail Rich at rbechtel@mt.gov.

Legislative update

During every legislative session in Montana, legislators sponsor bills that would have an impact on Montana's tax system. This regular section of Tax News You Can Use keeps you up-to-date on some of those bills currently making their way through the 2013 legislative session.

Among the many items proposed in **HB375** to address "dark money" in elections, the bill would remove the itemized deduction for political campaign contributions in calculating personal income tax. Click [here](#) to read the bill.

To track the progress of or to read any 2013 bill, click [here](#).

Target tax dates

- The deadline for real property owners and mobile home owners to apply for the **Property Tax Assistance Program** is April 15.
- The first **estimated individual income tax payment** is due on April 15.
- The deadline for the annual filing of Forms **PR-1, FID-3, 2, 2M, 2EZ** and **2EC** is April 15.
- The deadline for the annual filing of Form **CLT-4** is May 15.

Tax facts

As of March 15...

- Number of individual tax returns we've received electronically: 213,736
- Number of business returns we've received electronically: 17,829
- Number of refunds we've issued: 196,014
- Average amount of refunds: \$403.13
- Average number of days in which taxpayers have received a refund after filing an electronic return: 4.81
- Average number of days in which taxpayers have received a refund after filing a paper return: 22.7

Do you have suggestions for our income tax forms?

We continuously strive to provide tax forms that are easily completed and understood by everyone who uses them. To that end, we're now beginning the process of reviewing and updating the Montana tax forms for the next tax year, as we do every year around this time. As a preparer, you use many of these forms on a daily basis and see many different situations play out on them. For that reason, we would like to hear, and would value, any comments or suggestions you have regarding our tax forms.

Please feel free to [email](#) those comments or suggestions to Amanda Degenhardt, Income Tax Specialist.

Vendor update

Every year tax software vendors seek approval to participate in the Montana federal/state electronic filing program. You can view the current list of 2012 approved tax software products [here](#). Software vendors periodically update their software to help tax preparers avoid known filing errors and problems. Please remember to configure your tax software to automatically accept these updates.


For more information, email dore-services@mt.gov.

New POA form for taxpayers

Did you know we have an updated Power of Attorney (POA) form that is now similar to the IRS form? You can access it [here](#). As with the IRS, we no longer allow spouses to file a joint POA. Each spouse now has to complete his or her own form.

Contact us

Visit us online at revenue.mt.gov or call us toll-free at (866) 859-2254 (in Helena, 444-6900).

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edited by [Ted Brewer](#)

Montana Tax News You Can Use is published weekly during tax season and is for anyone who helps people file taxes and meet their tax responsibility. It keeps you posted on what's happening at the department, lets you know about new ways of preparing and filing taxes and brings you up-to-date on some of the issues and trends popping up during tax season in Montana. To subscribe, please visit www.revenue.mt.gov and click on "sign me up."

We welcome your suggestions and ideas for articles, as well as your questions and comments. Please send them to DORWritingProject@mt.gov.