

April 17, 2014



Montana Tax News You Can Use

An e-newsletter for tax preparers and those interested in the state's tax system

Filing after April 15

April 15 has come and gone, and you may have returns you were not able to file by the original due date. While it is too late to do anything to qualify for an extension to file, you may be able to help reduce the penalties and interest your client owes. First, consider completing the [2013 Extension Payment Worksheet \(EXT-13\)](#). While it is too late to make a payment that would qualify the client for an extension, it could turn out that your client had actually paid enough before April 15 to meet the requirements.

Interest and late payment penalty accrue from April 15 until the tax is paid, regardless of when the return is filed and whether the individual qualified for a filing extension. Making a partial or tentative payment even before the return is filed helps lower the amount of interest or penalty owed. Also, remember that individuals who pay all tax and interest due within 30 days of the first notice showing the unpaid amount can request a waiver of the late payment penalty. The Statement of Account includes detailed information on requesting a waiver in this case.

Filing amended returns electronically

You can file amended returns electronically, but only with a vendor software package. Check with your software provider to determine if it allows for filing amended returns. We process electronically filed amended returns the same way we process the original return. After you submit the amended return electronically, the vendor software provides an acknowledgment of having received the return.

Tax scams by phone

The Treasury Inspector General for Tax Administration (TIGTA) recently issued a warning to taxpayers about phone calls from people fraudulently claiming to represent the Internal Revenue Service (IRS). The callers tell their intended victims that they owe tax and must pay using a pre-paid debit or wire transfer. Those who refuse to pay are threatened with arrest, deportation or loss of driver's license.

We have received no reports of a similar scam involving callers claiming to represent the Montana Department of Revenue. The department's collections staff may contact individuals by phone after notices and statements have been mailed in an attempt to collect unpaid debts, which may include various taxes, fees, and debts owed to the state, county or city. The staff may request payment, but not by pre-paid debit card or wire transfer. Additionally, the collection staff will never make the types of demands and threats used by the fraudsters involved in the IRS scam.

People who receive a call regarding a delinquency they were not aware of should ask the caller to resend all the relevant information. If they are not sure they are speaking to someone from the Department of Revenue, they are encouraged to call our toll-free number, (866) 859-2254.

Search unclaimed property on behalf of your clients

Searching for unclaimed property is something anyone can do, and it's easy on [Taxpayer Access Point \(TAP\)](#). So why not do it on behalf of your clients? All you need is your client's name. You can check for a number of items your clients may have forgotten about over the years, including:

- uncashed checks (including payroll checks)
- state refunds
- utility deposits
- interest or dividend income
- savings and checking accounts
- safe deposit box contents

- credit balances
- customer overpayments
- gift certificates
- unidentified remittances
- stocks and bonds

If you do find that the state is holding your client's unclaimed property, you can have your client go on TAP and follow the instructions for completing a claim for the property.

If your clients claim and receive a stock liquidation, they will receive a 1099-MISC form. If your clients claim and receive dividends from stock, they will receive a 1099-DIV form.

Do you have suggestions for our income tax forms?

We strive to provide tax forms that are easy to complete and easily understood by everyone who uses them. 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 Justin Ahlers, Income Tax Specialist, at jahlers@mt.gov.

Approved tax software for 2013

Every year tax software vendors seek approval to participate in the Montana federal/state electronic filing program. We test the software of each vendor to ensure that it's compatible with our electronic filing system. You can find the latest approval status of each product [here](#).

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


Tax facts

For 2014, as of April 11...

- Total number of individual income tax returns we've processed: 379,940
- Number of individual tax returns we've received electronically: 350,625
- Number of business returns we've received electronically: 24,896
- Number of individual income tax refunds we've issued: 293,697
- Average amount of refunds: \$420
- Total amount of refunds: \$123,352,740
- Average number of days it's taken us to issue a refund after receiving an electronic return: 3.5
- Average number of days it's taken us to issue a refund after receiving a paper return: 21
- Number of fraudulent tax returns we've intercepted: 240
- Amount in fraudulent refunds we've prevented: \$356,560

Contact us

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

Follow us on 

Montana Department of Revenue | Tax News You Can Use

edited by [Ted Brewer](#)

Montana Tax News You Can Use is published weekly during tax season and periodically at other times. It is for anyone who helps people file taxes and meet their tax responsibility and for anyone simply interested in the state's tax system. 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 the [newsroom](#) page on our website and click on the "Tax News You Can Use" tab.

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

