

March 6, 2014



Montana Tax News You Can Use

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

Increase the accuracy of partnership and S corporation returns

If you prepare returns for partnerships and S corporations, you can reduce errors and processing time by reviewing the Schedule III included with the return. Entities are required to complete Schedule III to report information about their owners. Often the information that software populates in this schedule is incomplete, especially in regards to column G.

If the entity filed a Form PT-AGR for the owner, or if the entity received a conditional waiver of the withholding requirement by filing a Form PT-STM, then the entity must indicate in column G the year in which the filing took place. If the year is not included, the return may be reviewed by an auditor, who may have to request additional information to finish processing the return. In addition, if the year is not included on Schedule III, the entity may be assessed pass-through withholding as a result of automatic calculations programmed into the department's information system.

Postcards informing of Property Tax Assistance Program going out

From March 14 to March 26, the Department of Revenue will be mailing 20,000 postcards to property owners who may be eligible for the Property Tax Assistance Program. Property owners who own and live in their home and have a total household income of \$28,192 may be eligible, as may those who are single and have an income of less than \$21,144.

The postcards inform owners of how they might apply for the program. An application is available at revenue.mt.gov. Click on "Property" and then choose the "Tax Relief/Exemptions" tab. The deadline for submitting the application is April 15, 2014.

Tax credit available for land owners who allow access to state lands

Land owners can earn state tax credit for allowing the public to cross their property to access state lands that are otherwise inaccessible. Land owners can earn up to \$500 in tax credit for each parcel of state land they allow access to (with a maximum of \$2,000 in tax credit per year). The deadline for applying for this credit is March 15. Click [here](#) for more information.

POA form on TAP

Did you know your clients can submit the Montana Power of Attorney (POA) form on [Taxpayer Access Point](#) (TAP)? It is simple to do and ensures that we can discuss your clients' tax matters with you. Keep in mind that each individual taxpayer has to complete a separate POA form.

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.

Target tax dates

March 15: The deadline for...

- filing Form CLT-4S, S Corporation Information and Composite Tax Return
- filing Form DER-1 for disregarded entities owned by S corporations

April 15: The deadline for...

- submitting an application for the Property Tax Assistance Program


Tax facts

For 2014, as of February 28...

- Total number of individual income tax returns we've processed: 171,280
- Number of individual tax returns we've received electronically: 164,186
- Number of business returns we've received electronically: 6,232
- Number of individual income tax refunds we've issued: 146,770
- Average amount of refunds: \$393.10
- Total amount of refunds: \$57,695,287
- Average number of days in which taxpayers have received a refund after filing an electronic return: 3.25
- Average number of days in which taxpayers have received a refund after filing a paper return: 20.26
- Number of fraudulent tax returns we've intercepted: 78
- Amount in fraudulent refunds we've prevented: \$142,563

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.

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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.

