



Montana Tax News You Can Use

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

Filing Requirements for Disregarded Entities

Disregarded entities are required to file returns in Montana unless the entity is a single-member limited liability company (SMLLC) and its owner is a full-year resident (individual, estate, or trust). As provided in [ARM 42.9.501](#), the resident owner reports the activity of the SMLLC on his or her personal income tax return.

All other disregarded entities file a Montana Form DER-1 each year. The due date of the return depends upon the due date of the owner's return. For example, if the disregarded entity is owned by an S corporation, Form DER-1 is usually due on or before March 16. If the owner has an extension, the disregarded entity automatically has an extension as well. The [Form DER-1](#) is available on our website.

Disregarded entities are subject to the same pass-through withholding requirements that partnerships and S corporations are subject to under 15-30-3313, MCA. The [DER payment voucher](#) is also available on our website.

Reminder About Elderly Homeowner/Renter Tax Credit (2EC)

Recently, the department has noticed recurring errors on claims for the Elderly Homeowner/Renter credit (2EC) made by homeowners.

First, some claims erroneously report the property tax paid during the year. **The law bases the credit computation on the property tax billed during the year.**

Second, in instances where the land surrounding the residences exceeds one acre, claims erroneously report the entire amount of property tax. **The law limits the amount of tax associated with the land to the amount assessed on up to one acre.** If the home is on more than one acre and you need assistance with determining the appropriate tax amount to use, contact the Department of Revenue office in your county or the central office in Helena.

Approved Tax Software for Tax Year 2014

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 it is compatible with our electronic filing system. You can find the latest approval status of each software product and the forms they support [here](#).

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

Target Tax Dates

March 15 is 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 is the deadline for:

- submitting an application for the Property Tax Assistance Program (PTAP)
- filing individual state income tax returns
- filing estate and trust income tax returns (Form FID-3)
- filing partnership return (Form PR-1)
- filing disregarded entity return (Form DER-1) for entities owned by partnerships

Forms are available online at <http://revenue.mt.gov/home/forms>.

Tax Facts

For 2015, as of February 20:

- Total number of individual income tax returns we've processed: 142,120
- Number of individual tax returns we've received electronically: 138,475
- Number of individual income tax refunds we've issued: 114,731
- Average amount of refunds: \$384.58

As of March 4:

- Number of fraudulent tax returns we've intercepted: 339
- Amount of fraudulent refunds we've prevented: \$342,174

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 (406) 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, 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.

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