



# Reciprocity Exemption from Withholding

For North Dakota residents who work in Montana

## Employee Information

First Name and Initial XXXXXXXXXXXXX X	Last Name XXXXXXXXXXXXXXXXXXXXX	Social Security Number XXX XX XXXX	
Permanent Address XXXXXXXXXXXXXXXXXXXXXXXXXXXXX	City XXXXXXXXXXXXXXXXXXXXX	State XX	Zip Code XXXXX XXXX
Mailing Address (if different than permanent address) XXXXXXXXXXXXXXXXXXXXXXXXXXXXX	City XXXXXXXXXXXXXXXXXXXXX	State XX	Zip Code XXXXX XXXX

## Employee Residency information

1. Enter the taxable year for which this affidavit is being submitted ..... YYY Y

2. Was North Dakota your state of legal residence during the entire taxable year for which this affidavit is being submitted? .....  Yes  No

3. Were you ever a Montana resident? .....  Yes  No.

If yes, enter the last year you were a Montana resident ..... YYY Y

4. Enter the wages you earned in Montana from the employer listed below during the previous year ..... \$ XXXXXXXXXXXXX00

## Employer Information

Employer Name XXXXXXXXXXXXXXXXXXXXXXXXXXXXX	Employer FEIN XX XXXXXX	Employer Phone Number (XXX XXX XXXX)	
Employer's Mailing Address XXXXXXXXXXXXXXXXXXXXXXXXXXXXX	City XXXXXXXXXXXXXXXXXXXXX	State XX	Zip Code XXXXX XXXX

## Employee's Signature

I swear under penalty of false swearing that the information in this affidavit is true, correct and complete.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Daytime Phone

**Employee** - Please make a copy for your records. Give this completed form to your employer.

**Employer** - Please verify the employer information, including the FEIN, is correct. Make a copy for your records. Mail this form to Montana Department of Revenue, PO Box 5805, Helena, MT 59604-5805.  
Note: If this form is not filled out completely, you will need to withhold Montana income tax from wages earned in Montana.



\*13BS0101\*

## Form MT-R Instructions

**New!** Form NR-1 (North Dakota Reciprocal Affidavit) and Form NR-2 (Employee Certificate of North Dakota Residence) have been discontinued. Beginning with the 2013 tax year, North Dakota residents covered by the reciprocal agreement who want to obtain a refund of any Montana tax withheld will now simply file a Montana Form 2. Form MT-R (Reciprocity Exemption from Withholding) replaces the NR-2 as the form employees submit to their employer to be exempt from Montana withholding under the reciprocal agreement.

### Purpose of this Form

Montana and North Dakota have a reciprocal agreement that Montana will not tax North Dakota residents on compensation for personal or professional services performed in Montana, and North Dakota will not tax Montana residents on compensation for services performed in North Dakota. Please note that the wages you earn for work in Montana are subject to income tax in North Dakota.

Further, Montana employers of North Dakota residents are not required to withhold Montana income tax from those employees' compensation. Similarly, North Dakota employers of Montana residents are not required to withhold North Dakota income tax from those employees' compensation.

### Instructions for Employee

Fill out the form completely. Otherwise, your employer is required to withhold Montana income tax from your wages.

Your employer will be able to provide you with its federal identification number.

Make a copy of this form for your records and give the original to your employer.

**If you do not want Montana income tax withheld from your wages**, you must complete this form and give it to your employer by February 28 of the calendar year to which you want it to apply, within 30 days of when you begin working or within 30 days of when you become a North Dakota resident. You must complete a new form and give it to your employer each year to continue receiving an exemption from withholding.

If you do not complete this form and give it to your employer as explained above, your employer must withhold Montana income tax from your wages.

**If Montana income tax was already withheld from your wages**, you must complete and file a Montana income tax return at the end of the year to obtain a refund. Please refer to Form 2 and its instructions for more information.

### Instructions for Employer

Employees who reside in North Dakota must complete this form and give it you by February 28 of the calendar year to which it applies or within 30 days after they begin working for you or change their residence. Employees who live in states other than North Dakota, including Montana, cannot use this form.

For forms received by February 28, mail the original on or before March 31 to:

Montana Department of Revenue  
PO Box 5805  
Helena, MT 59604-5805

For new employees or employees who change their state of residence during the year, send the form within 30 days after the employee gives it to you.

An employee must complete this form and give it to you each year to continue receiving an exemption from withholding.

You may be required to resume Montana withholding on the employee's compensation earned in Montana if the department determines that an employee's certificate is false or unsubstantiated.

**Administrative Rules of Montana:** 42.17.134

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