





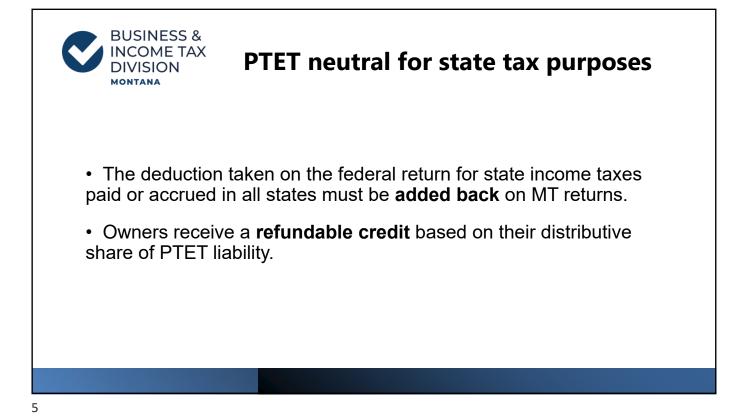


PTET allowed as a Federal Deduction

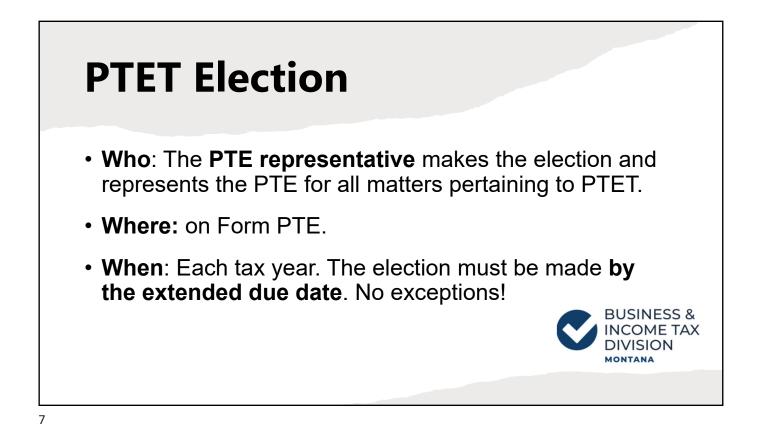
• The PTE may claim the payment of this tax as an above-the-line deduction for federal income tax purposes under IRC 164.

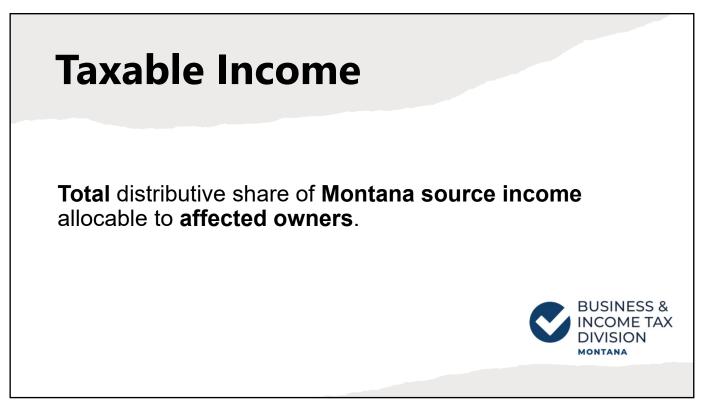
• The State and Local Tax (SALT) deduction limitation on the individual owners' federal returns does not apply to taxes deducted above-the-line as provided in **IRS Notice 2020-75**. That is a benefit that can amount to as much as 37 cents on every dollar deducted.

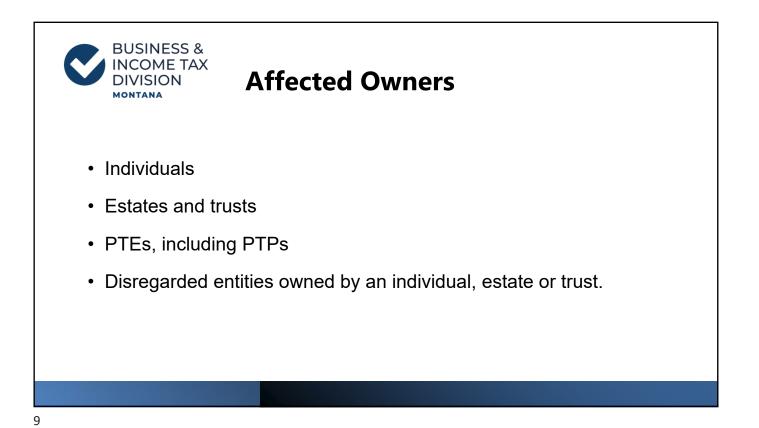
PTET is a tax you pay to pay less taxes!

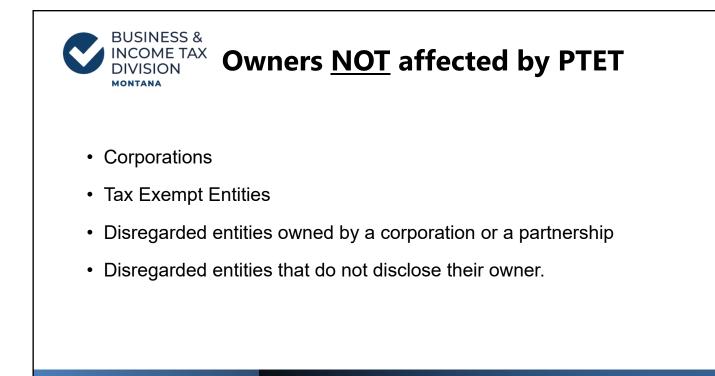












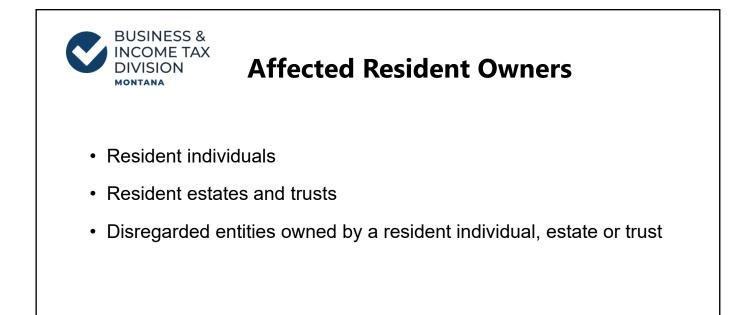


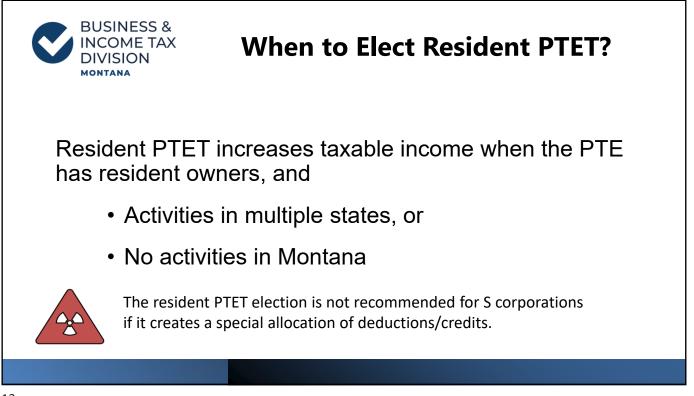
Montana Source Income (MTSI)

MTSI is determined at the PTE level using **apportionment and allocation rules** (Multistate Tax Compact, 15-1-601, MCA), unless a resident election is made.

If a **resident election** is made, MTSI allocable to resident owners increases to their distributive share of everywhere income.

(MTSI is all income received as a resident under 15-30-2001(18), MCA)





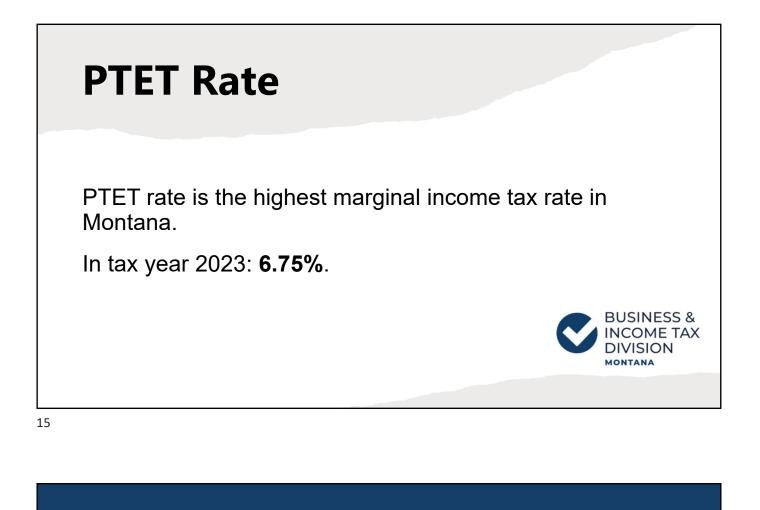




Taxable Income Example

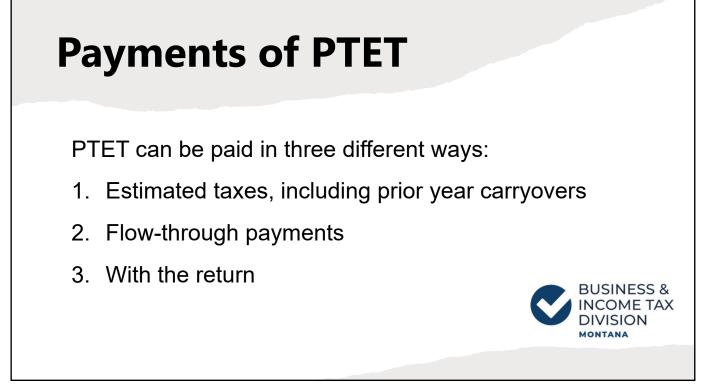
Assume an apportionment factor of 20% under the Compact.

PTE Owners' Attribute	PTET Taxable Income			
Owners	Residency of Individuals, Estates and Trusts	Total Everywhere Income	Without Resident Election	With Resident Election
Not affected by PTET	N/A	\$100,000	\$0	
Affected by PTET	Residents	\$20,000	\$4,000	\$20,000
	Nonresidents or N/A	\$50,000	\$10,0	000
Total			\$14,000	\$30,000

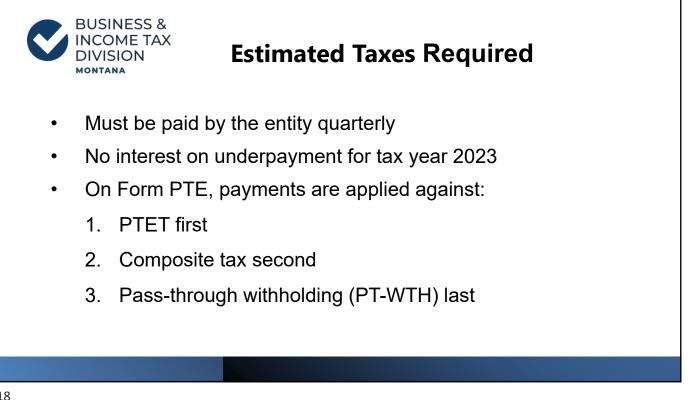


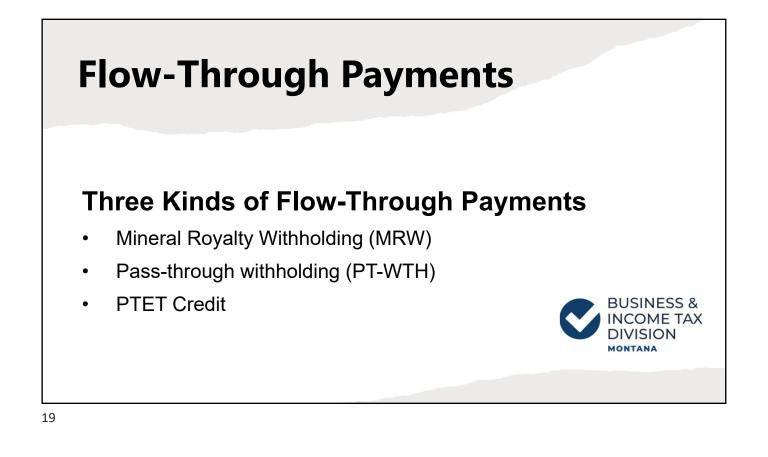


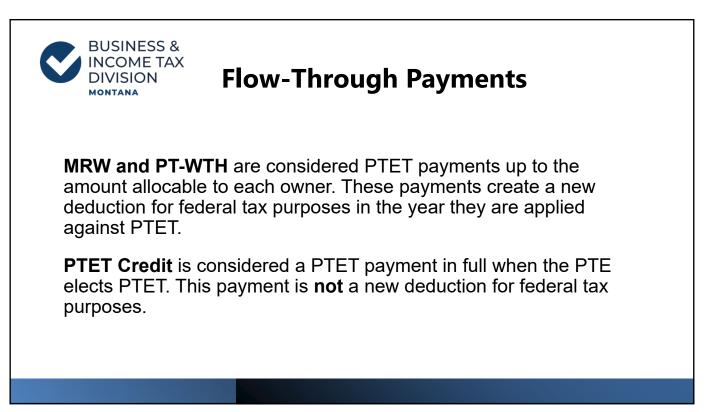












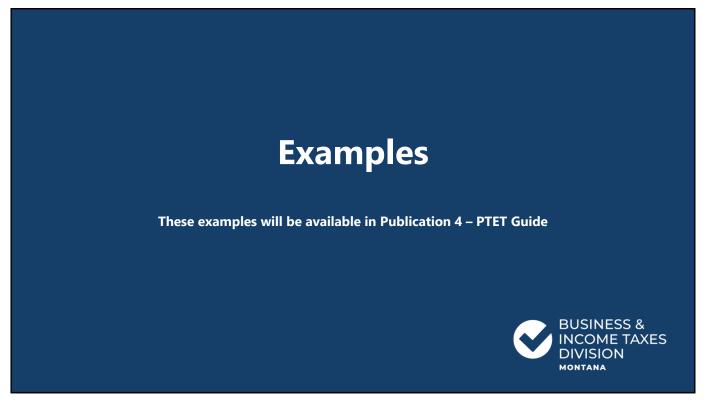


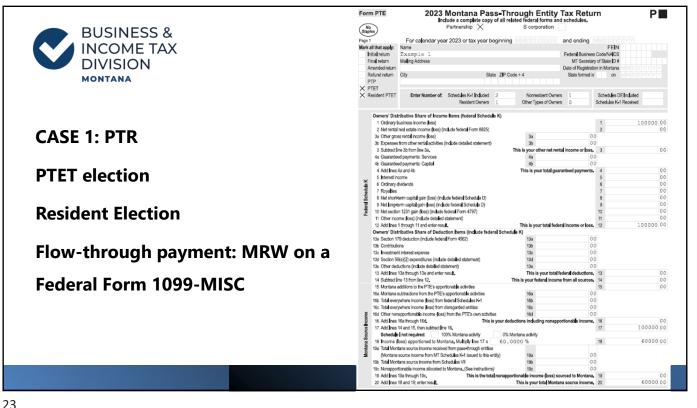


PTET overpayments are first used against the two other taxes on Form PTE, and the excess is refunded or carried over.

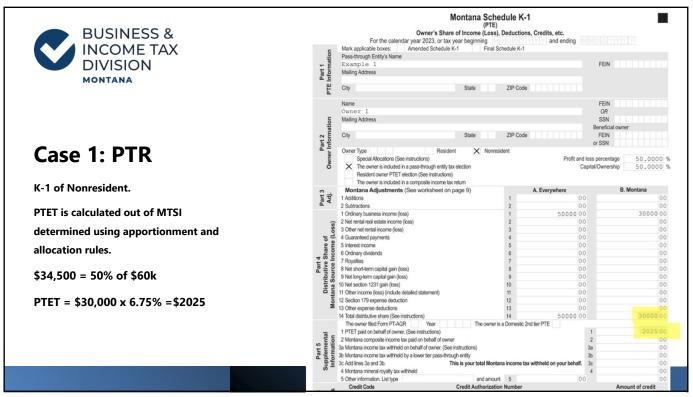
Note that for federal tax purposes any overpayment refunded or applied against penalties and interest should create taxable income.

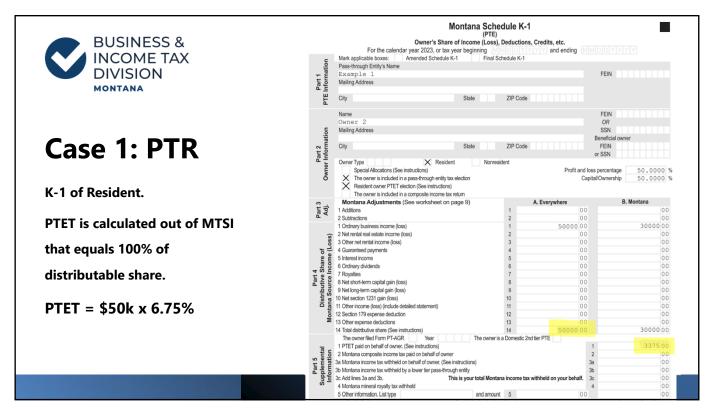
PTET income is subtracted on the Montana return.

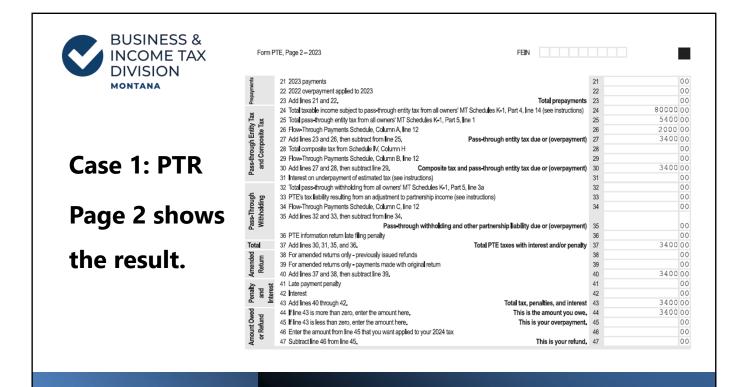


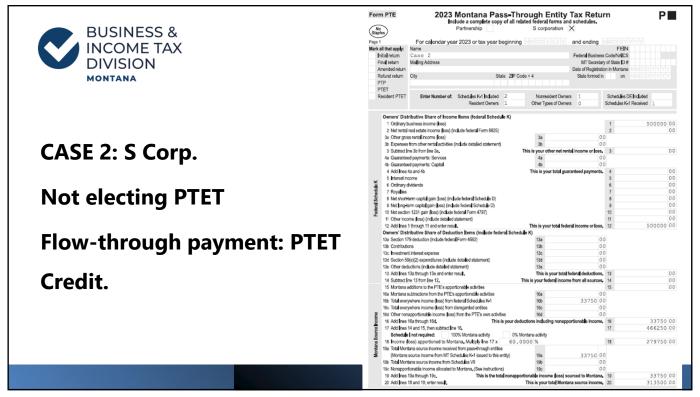


BUSINESS &	Part I. Montana Schedules K-1 received by the withholding, and/or pass-through entity tax. At Montana Schedules K-1 reporting mineral royalty	ttach a stateme	nt with the same informa	tion if the PTE received	more than four
INCOME TAX	Entity Name	FEIN	A. Mineral royalty	B. Pass-through	C. Pass-through entity
			withholding received	withholding received	tax received
		444444	2000 00	00	00
MONTANA	2		00	00	0
	3		00	00	0
	4		00	00	0
		5 Totals	00	00	0(
	Part II. Flow-through payment allocations (See	instructions)		Schedules K-1 subject to:	
	i urt in i fon-un ough pujment unooutiono (oco	, mouractions)	A. Pass-through entity tax	B. Composite tax	C. Other
	 Sum of profit and loss percentage of all MT Schedules K-1 subject to applicable Column(s) A, B, and C 	1	100.0000 %	%	%
	2 Multiply total in Part I, Column A by percentage on line 1 for eac	ch column 2	2000 00	00	00
Case 1: PTR	3 Mineral royalty withholding passed to owners	3			0
	4 Enter Column A, line 2 and Column B, line 2.				
	Subtract Column C, line 3 from Column C, line 2.				
	Balance of mineral royalty withholding the PTE can cla		2000 00	00	00
	5 Multiply total in Part I, Column B by percentage on line 1 for each	ch column 5	00	00	00
RW is 100% allocated against PTET.	 Pass-through withholding passed to owners Enter Column A. line 5 and Column B. line 5. 	0			00
•	Subtract Column C, line 5 and Column B, line 5.				
	Balance of pass-through withholding the PTE can cla	aim as a credit 7	00	00	00
o push-out.	8 If Column A, line 1 is greater than 0%, enter the total from Part		00		
	9 If Column A, line 1 is 0%, multiply the total in Part I, Column C	,			
	by Columns B and C, line 1	9		00	00
	10 Total pass-through entity tax passed to owners	10			00
	11 Enter Column B, line 9.				
	Subtract Column C, line 10 from line 9.				
	Credit balance for PTE not electin	ng to pay PTET 11		00	00
	12 Add lines 4, 7, 8, and 11 in each column.				
	Total payments the PTE can cla	aim as a credit 12	2000 00	00	00
	Part III. Authorized Representative: Authorized to Name Title		on for Tax Year 2023 Telephone Nu	ımber Email	
	John Doe Gra	nd Mammoth	152263	2 2 5 5 JD@JD.com	1

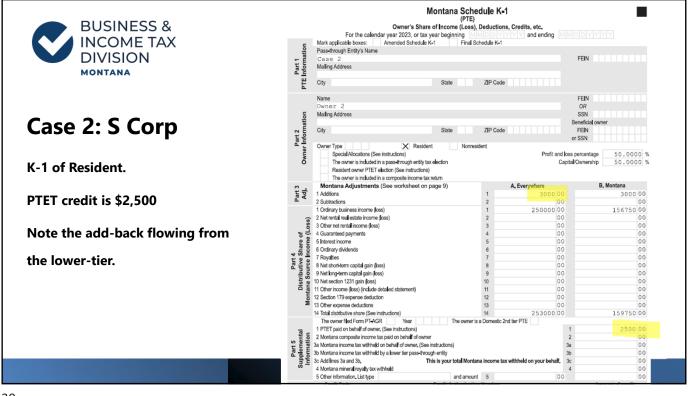


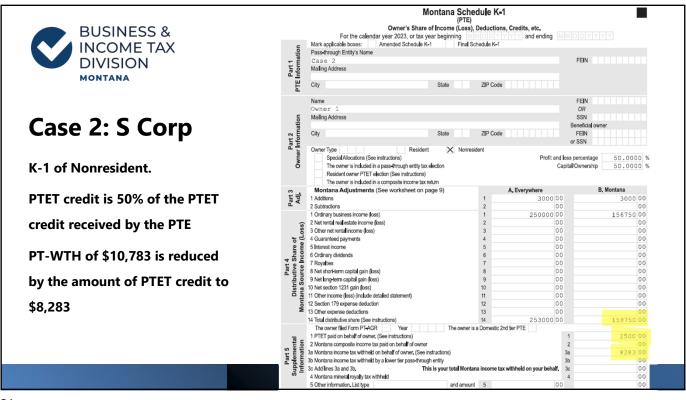


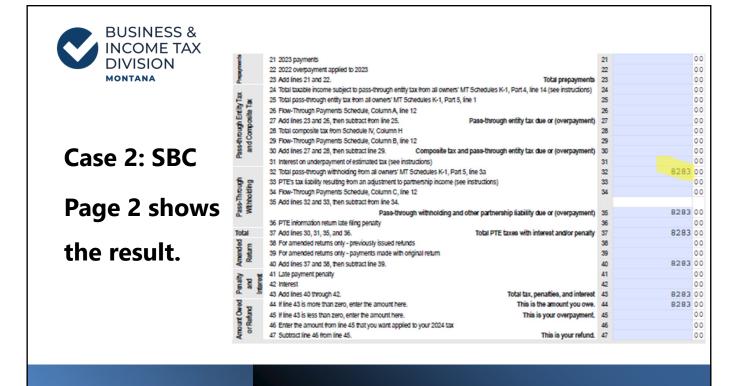


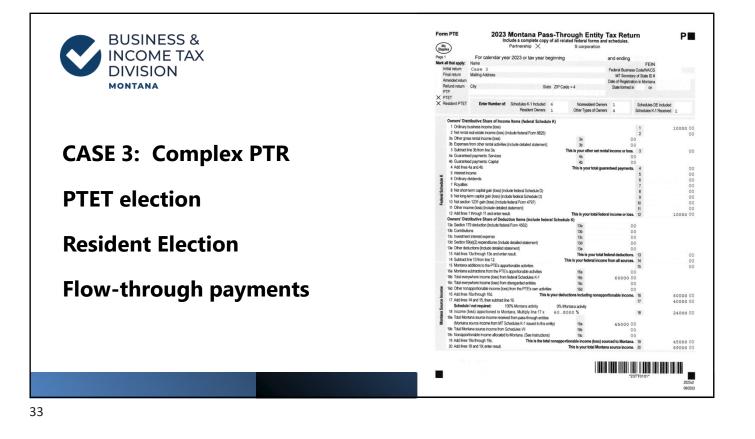


	Form PTE, Page 3-2023		FEIN		
BUSINESS & INCOME TAX	Flow-Through Payments Schedu Part I. Montana Schedules K-1 n withholding, and/or pass-throug Montana Schedules K-1 reporting	ceived by the pass-through h entity tax. Attach a stateme	ent with the same informa	tion if the PTE received	more than four
	Montana Schedules K-1 reporting Entity Name	mineral royalty withholding, pa FEIN	A, Mineral royalty		ty tax. C. Pass-through entity
	Entry Name		withholding received	withholding received	tax received
MONTANA	1 ABC LLC	44444444		00	5000 00
	2		00	00	00
	3		00	00	0.0
	4		00	00	00
		5 Totals	00	00	5000 00
		0 10100	00	00	5000 00
	Part II. Flow-through payment a	locations (See instructions)		Schedules K-1 subject to:	
	·	,,	A. Pass-through entity tax	B. Composite tax	C. Other
	1 Sum of profit and loss percentage of all M	Schedules K-1 1	%	%	100.0000 %
	subject to applicable Column(s) A, B, and				
Case 2: S Corp	2 Multiply total in Part I, Column A by percen		0 00	00	00
Last L. s Loip	3 Mineral royalty withholding passed to own				00
	4 Enter Column A. line 2 and Column B. line				
	Subtract Column C, line 3 from Column C,	ine 2.			
	Balance of mineral royalty withhold	ng the PTE can claim as a credit. 4	0 00	00	00
PTET credit = \$5000	5 Multiply total in Part I, Column B by percen	tage on line 1 for each column 5	00	00	00
Fill clean = \$3000	6 Pass-through withholding passed to owner	s 6			00
	7 Enter Column A, line 5 and Column B, line	5.			
	Subtract Column C, line 6 from Column C,	ine 5.			
All credit is passed through	Balance of pass-through withhold	ing the PTE can claim as a credit 7	00	00	00
All cicult is passed through	8 If Column A, line 1 is greater than 0%, enter	r the total from Part I, Column C 8	00		
	9 If Column A, line 1 is 0%, multiply the total	n Part I, Column C			
	by Columns B and C, line 1	9		00	5000 00
because all owners are affected	10 Total pass-through entity tax passed to	owners 10			5000 00
	11 Enter Column B, line 9				
	Subtract Column C, line 10 from line 9.				
owners.	Credit balance	for PTE not electing to pay PTET 11		00	0.0
	12 Add lines 4, 7, 8, and 11 in each column.				
	Total payme	nts the PTE can claim as a credit 12	00	00	00
	Part III. Authorized Representati				
	Name	Title	Telephone Nu		
	John Doe	Grand Mammoth	1 5 2 2 6 3	2 2 5 5 JD@JD.com	

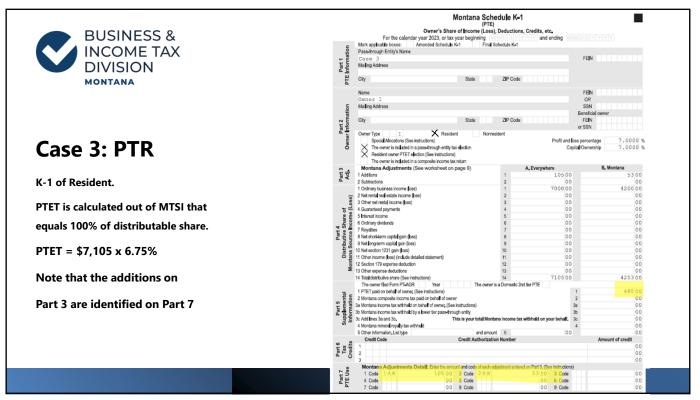


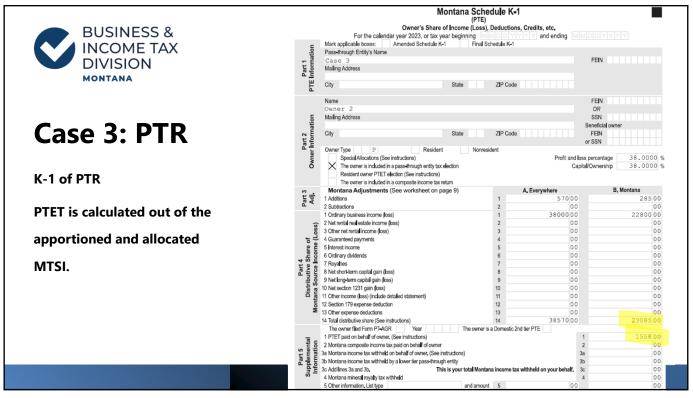






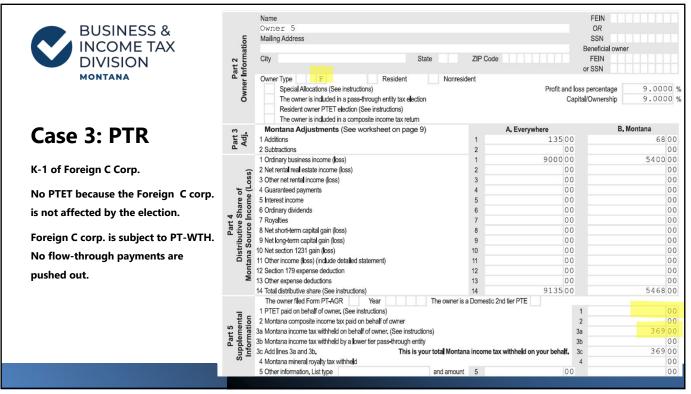
BUSINESS & INCOME TAX		ng mineral royalty withholding, pa FEIN	J	and/or pass-through en B. Pass-through	ntity tax. C. Pass-through entit
	Entity Name	FEIN	A. Mineral royalty withholding received	withholding received	tax received
DIVISION	1 MRW LLC	44444444	100 00	00	
MONTANA	2 PTW LLC		00	1688 00	
	3 PTET LLC		00	00	1350
	4		00	00	
		5 Totals	100 00	1688 00	1350
	Part II Flow-through paymen	t allocations (See instructions)		Schedules K-1 subject to:	
		,	A. Pass-through entity tax	B. Composite tax	C. Other
	1 Sum of profit and loss percentage of a		72.0000 %	7.0000 %	21.0000 9
	subject to applicable Column(s) A, B, a		72 00	7.00	21
	2 Multiply total in Part I, Column A by per		72 00	7 00	12
Case 3: PTR	3 Mineral royalty withholding passed to o 4 Enter Column A. line 2 and Column B.				12
	Subtract Column C, line 3 from Column				
		olding the PTE can claim as a credit. 4	72 00	7 00	9
	5 Multiply total in Part I, Column B by per	centage on line 1 for each column 5	1215 00	118 00	354
Flam the second second and all sectors	6 Pass-through withholding passed to or	vners 6			
Flow-through payments are allocated	7 Enter Column A, line 5 and Column B,	line 5.			
	Subtract Column C, line 6 from Colum	n C, line 5.			
heard on mucfit and less	Balance of pass-through with	nolding the PTE can claim as a credit 7	1215 00	118 00	354
based on profit and loss.	8 If Column A, line 1 is greater than 0%,	enter the total from Part I, Column C 8	1350 00		
	9 If Column A, line 1 is 0%, multiply the t	otal in Part I, Column C			
	by Columns B and C, line 1	9		00	
Some MRW is pushed out to the	10 Total pass-through entity tax passe	d to owners 10			
	11 Enter Column B, line 9.				
	Subtract Column C, line 10 from line 9				
entity not subject to any tax.		nce for PTE not electing to pay PTET 11		00	
	12 Add lines 4, 7, 8, and 11 in each colum				
	Total pa	ments the PTE can claim as a credit 12	2637 00	125 00	363
		ative: Authorized to make PTET electi			
	Name	Title	Telephone Nu		
	John Doe	Grand Mammoth	152263	2 2 5 5 JD@JD.com	m





MONTANA	Part 2 Owner Information	City State Owner Type Comparison Comparison Comparison Comparison (See instructions) The owner is included in a pass-through entity tax election Resident owner PTET election (See instructions) The owner is included in a composite income tax return		FEI or SSI Profit and loss perce Capital/Own	N entage 12.0000 % ership 12.0000 %
Case 3: PTR	÷ 13	Montana Adjustments (See worksheet on page 9) 1 Additions	A. Everyw	18000	B. Montana
	Part 3 Adj.	2 Subtractions	2	18000	90 00
		1 Ordinary business income (loss)		1200000	7200 00
K-1 of C Corp	~	2 Net rental real estate income (loss)	2	00	00
	SSC	3 Other net rental income (loss)	3	00	00
	تے ج	4 Guaranteed payments	4	00	00
No PTET because the C corp. is not	a e	5 Interest income	5	00	00
· · · · · ·	Part 4 utive Share of urce Income (L	6 Ordinary dividends	6	00	00
affected by the election.	e S e S	7 Royalties	7	00	00
-	Part Distributive ana Source	8 Net short-term capital gain (loss)	8	00	00
MRW is pushed out to the C Corp	Sou	9 Net long-term capital gain (loss)	9	00	0.0
wikw is pushed out to the c corp	istr ia S	10 Net section 1231 gain (loss)	10	00	00
because it is not subject to any		11 Other income (loss) (include detailed statement)	11	00	00
because it is not subject to any	lon	12 Section 179 expense deduction	12	00	00
taxes.	ž	13 Other expense deductions	13	00	00
laxes.		14 Total distributive share (See instructions)		1218000	7290 00
			a Domestic 2nd tier PTE		
		1 PTET paid on behalf of owner. (See instructions)		1	00
		2 Montana composite income tax paid on behalf of owner	2	00	
	Part 5 plemen ormatio	3a Montana income tax withheld on behalf of owner, (See instructions)	3a 3b	00	
	Part 5 Supplemental Information	3b Montana income tax withheld by a lower tier pass-through entity 3c Add lines 3a and 3b. This is your total Monta		00	
	n Su	4 Montana mineral royalty tax withheld	na income tax withheld on	your behalf. 3c	12 00
		4 Montana mineral royalty tax withinero 5 Other information, List type and amoun	+ 5	00	00
		and anoun		00	

		Name			EIN	
		Owner 4			OR	
BUSINESS & INCOME TAX	E E	Mailing Address			SSN	
	ati			Be	eficial owner	
	~ E	City State	ZIP Code		EIN	
DIVISION	Part 2 Inforn			or	SSN	
MONTANA	d	Owner Type F Resident Nonre	esident			
MONTANA	Part 2 Owner Information	Special Allocations (See instructions)		Profit and loss pe	rcentage	7.0000 %
	ó	The owner is included in a pass-through entity tax election		Capital/C	wnership	7.0000 %
		Resident owner PTET election (See instructions)				
		The owner is included in a composite income tax return				
	· .	Montana Adjustments (See worksheet on page 9)	Α.	Everywhere	B, M	ontana
Case 3: PTR	Part 3 Adj.	1 Additions	1	10500		53 00
Case J. FIR	₽ .	2 Subtractions	2	00		00
		1 Ordinary business income (loss)	1	700000		4200 00
	(sso	2 Net rental real estate income (loss)	2	00		00
K-1 of Foreign C Corp.	so	3 Other net rental income (loss)	3	00		00
	e C	4 Guaranteed payments	4	00		00
No PTET because the Foreign C corp.	a re	5 Interest income	5	00		00
no i i i i because the i oreign e corp.	4 Share o Income	6 Ordinary dividends	6	00		00
is not affected by the election.	art art ive	1 Royaldos	7	00		00
· · · · · · · · · · · · · · · · · · ·	Part Distributive ana Source	8 Net short-term capital gain (loss)	8	00		00
Fausium Casum is subject to	Sol	9 Net long-term capital gain (loss)	9	00		00
Foreign C corp. is subject to	ist	10 Net section 1231 gain (loss)	10	00		00
Composite tax. No flow through	Di	11 Other income (loss) (include detailed statement)	11	00		00
Composite tax. No flow-through	Lo Lo	12 Section 179 expense deduction	12	00		00
payments are pushed out.	Σ	13 Other expense deductions	13	00		00
payments are pushed out.		14 Total distributive share (See instructions)	14	710500		4253 00
			is a Domestic 2nd tie	r PTE		
		1 PTET paid on behalf of owner. (See instructions)		1		00
	io and	2 Montana composite income tax paid on behalf of owner		2		12 00
	Part 5 plemer	3a Montana income tax withheld on behalf of owner. (See instructions)		3a 3b		00
		T = 5 3b Montana income tax withheld by a lower tier pass-through entity				00
	Sc Add lines 3a and 3b. This is your total Montana income tax withheld on your					00
	0,	4 Montana mineral royalty tax withheld		4		00
		5 Other information, List type and amou	int 5	00		00



BUSINESS & INCOME TAX DIVISION MONTANA	Part 2 Owner Information	Name Owner 6 Mailing Address City State Owner Type T Resident Special Allocations (See instructions) The owner is included in a pass-through entity tax election Resident owner PTET election (See instructions) The owner is included in a composite income tax return	ZIP Co	Profit and k	FEIN OR SSN Beneficial own FEIN or SSN or SSN	27.0000 % 27.0000 %
	Part 3 Adj.	Montana Adjustments (See worksheet on page 9)		A. Everywhere 40500	B,	. Montana
	Par Ac	1 Additions 2 Subtractions	2	40500		203 00
Case 3: PTR		1 Ordinary business income (loss)	1	2700000		1620000
Case J. FIN		2 Net rental real estate income (loss)	2	00		00
	(sso	3 Other net rental income (loss)	3	00		00
	رم ر	4 Guaranteed payments	4	00		00
K 1 of Nonvocident Trust	Part 4 ributive Share o Source Income	5 Interest income	5	00		00
K-1 of Nonresident Trust	sha	6 Ordinary dividends	6	00		00
	e Selne	7 Royalties	7	00		00
	Part Distributive ana Source I	8 Net short-term capital gain (loss)	8	00		00
PTET is calculated out of	ibu	9 Net long-term capital gain (loss)	9	00		00
		10 Net section 1231 gain (loss)	10	00		00
annertiened income	Dist	11 Other income (loss) (include detailed statement)	11	00		00
apportioned income.		12 Section 179 expense deduction	12	00		00
	Σ	13 Other expense deductions	13	00		00
		14 Total distributive share (See instructions)	14	2740500		1640300
			s a Domest	tic 2nd tier PTE		
	- 9	1 PTET paid on behalf of owner. (See instructions)			1	1107 00
	2 Montana composite income tax paid on behalf of owner					00
	nat	3a Montana income tax withheld on behalf of owner, (See instructions)			3a	00
	Pa	3b Montana income tax withheld by a lower tier pass-through entity			3b	00
	Part 5 Supplemental Information		ana income	e tax withheld on your behalf.	3c	00
	05	4 Montana mineral royalty tax withheld			4	00
		5 Other information, List type and amount	nt 5	00		00

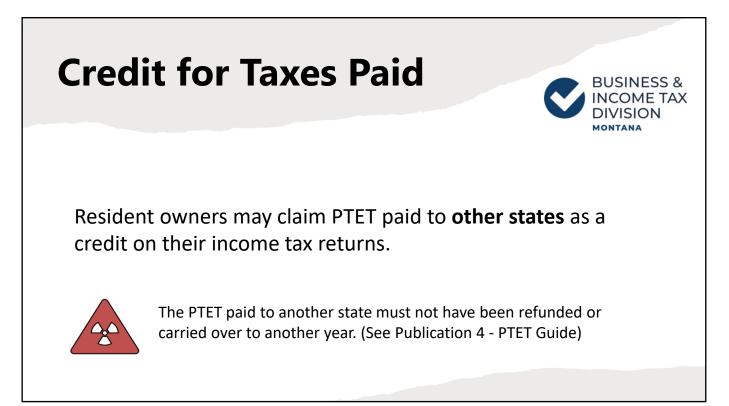
BUSINESS &	uts	21 2023 payments	21	1000 00
	iyme	22 2022 overpayment applied to 2023	22	00
INCOME TAX	Prepayments		23	1000 00
		24 Total taxable income subject to pass-through entity tax from all owners' MT Schedules K-1, Part 4, line 14 (see instructions)	24	46593 00
MONTANA	Tax	25 Total pass-through entity tax from all owners' MT Schedules K-1, Part 5, line 1	25	3145 00
MONTANA	tity e Ta	26 Flow-Through Payments Schedule, Column A, line 12	26	2637 00
	h Er osit	27 Add lines 23 and 26, then subtract from line 25. Pass-through entity tax due or (overpayment)	27	-492 00
	bno	28 Total composite tax from Schedule IV, Column H	28	12 00
	ss-through Entity Ta and Composite Tax	29 Flow-Through Payments Schedule, Column B, line 12	29	125 00
	Pass-through Entity Tax and Composite Tax	30 Add lines 27 and 28, then subtract line 29. Composite tax and pass-through entity tax due or (overpayment)	30	-605 00
Case 3: PTR	<u>а</u>	31 Interest on underpayment of estimated tax (see instructions)	31	00
		32 Total pass-through withholding from all owners' MT Schedules K-1, Part 5, line 3a	32	369 00
Davia 2 alcover the "assessed of	Pass-Through Withholding	33 PTE's tax liability resulting from an adjustment to partnership income (see instructions)	33	00
Page 2 shows the "cascade of	oldi	34 Flow-Through Payments Schedule, Column C, line 12	34	363 00
novments" ending in a refund	thh	35 Add lines 32 and 33, then subtract from line 34.		
payments" ending in a refund	N As	Pass-through withholding and other partnership liability due or (overpayment)	35	6 00
this time.		36 PTE information return late filing penalty	36	0.0
unis ume.	Total	37 Add lines 30, 31, 35, and 36. Total PTE taxes with interest and/or penalty	37	-599 00
	pa e	38 For amended returns only - previously issued refunds	38	0.0
Note that the overpayment of	Amended Return	39 For amended returns only - payments made with original return	39	00
	AR	40 Add lines 37 and 38, then subtract line 39.	40	-599 00
PTET may result in	₹_ ¥	41 Late payment penalty	41	00
•	Penalty and Interest	42 Interest	42	0.0
recognition of income.		······································	43	-599 00
-	pe pe	44 If line 43 is more than zero, enter the amount here. This is the amount you owe.		00
	efur O	45 If line 43 is less than zero, enter the amount here. This is your overpayment.		00
	Amount Owed or Refund	46 Enter the amount from line 45 that you want applied to your 2024 tax	46	00
	Ā	47 Subtract line 46 from line 45. This is your refund.	47	599 00



on the Owner's Return



 Owners can claim the PTET as a refundable credit/payment. Estimated tax required to be paid is reduced by the PTET payment. 	PTET Credit	BUSINESS & INCOME TAX DIVISION MONTANA
	· · ·	by the PTET



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