

2017 Montana Partnership Information and Composite Tax Return

Include a complete copy of federal Form 1065 and all related forms and schedules.

For calendar year 2017 or tax year beginning

MMDD2017

and ending

MMDDYYYY

Mark all that apply:

- ☐ Initial return
- ☐ Final return
- ☐ Amended return
- ☐ Refund return
- ☐ PTP
- ☐ Technical termination

Name

FEIN

Mailing Address

Enter number of:

Schedules K-1 Included

Resident Partners

Nonresident Partners

Other Types of Partners

City

State Zip Code + 4

Date Registered in Montana

MMDDYYYY

MT Secretary of State ID #

State formed in

on

MMDDYYYY

Federal Business Code/NAICS

See electronic options at
revenue.mt.gov

Partners' Distributive Share of Income Items (Form 1065, Schedule K)

1. Ordinary business income (loss)	1.	00
2. Net rental real estate income (loss) (include federal Form 8825).....	2.	00
3. a. Other gross rental income (loss).....3a.	00	
b. Expenses from other rental activities (include detailed statement).....3b.	00	
c. Subtract line 3b from line 3a. This is your other net rental income or loss.	3c.	00
4. Guaranteed payments.....	4.	00
5. Interest income	5.	00
6. Ordinary dividends.....	6.	00
7. Royalties.....	7.	00
8. Net short-term capital gain (loss) (include federal Schedule D, Form 1065).....	8.	00
9. Net long-term capital gain (loss) (include federal Schedule D, Form 1065).....	9.	00
10. Net section 1231 gain (loss) (include federal Form 4797).....	10.	00
11. Other income (loss) (include detailed statement).....	11.	00
12. Add lines 1 through 11 and enter result. This is your total federal income or loss.	12.	00

Partners' Distributive Share of Deduction Items (Form 1065, Schedule K)

13. a. Section 179 deduction (include federal Form 4562).....	13a.	00
b. Contributions.....	13b.	00
c. Investment interest expense	13c.	00
d. Section 59(e)(2) expenditures (include detailed statement)	13d.	00
e. Other deductions (include detailed statement)	13e.	00
14. Add lines 13a through 13e and enter result. This is your total federal deductions.	14.	00
15. Subtract line 14 from line 12. This is your federal income from all sources.	15.	00

Partners' Distributive Share of Montana Additions and Deductions to Income

16. a. Interest and dividends not taxable under the Internal Revenue Code	16a.	00
b. Taxes based on income or profits.....	16b.	00
c. Other additions (include detailed statement)	16c.	00
Add lines 16a, 16b, and 16c; enter result. This is your total Montana additions to income.	16.	00
17. a. Interest on U.S. government obligations (include detailed statement)	17a.	00
b. Deduction for purchasing recycled material (include Form RCYL).....	17b.	00
c. Other deductions (include detailed statement)	17c.	00
Add lines 17a, 17b, and 17c; enter result. This is your total Montana deductions to income.	17.	00
18. Add lines 15 and 16, then subtract line 17 from that result	18.	00

Apportioned and Allocated Montana Source Income ☐ Schedule I Not Required (see instructions)

19. Income apportioned to Montana. Multiply line 18 X % (see instructions)	19.	00
20. Income allocated to Montana. Enter the income or loss allocated directly to Montana (see instructions) ..	20.	00
21. Add lines 19 and 20; enter result. This is your total Montana source income.	21.	00



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Calculation of Amount Owed or Refund

22. Enter your Montana total composite tax from Schedule IV, column H 22. 00

23. Enter the sum of pass-through withholding from all Montana Schedules K-1, part 5, line 2a 23. 00

Withholding

24. a. Total Montana mineral royalty tax withheld on your behalf (see instructions) ... 24a. 00

b. Mineral royalty tax withheld distributed to partners 24b. 00

c. Subtract 24b from 24a. **Montana mineral royalty tax withheld attributable to partnership.** 24c. 00

25. a. Total Montana pass-through withholding paid on your behalf (see instructions) 25a. 00

b. Montana pass-through withholding distributed to partners 25b. 00

c. Subtract line 25b from 25a. **Montana pass-through withholding attributable to partnership.** 25c. 00

26. Add lines 24c and 25c. **This is the total withholding payments attributable to partnership.** 26. 00

Return Payments

27. a. 2016 overpayment applied to 2017 27a. 00

b. 2017 estimated payments 27b. 00

c. 2017 extension payment 27c. 00

d. For amended returns only—payments made with original return 27d. 00

e. For amended returns only—previously issued refunds (see instructions) 27e. 00

f. Add lines 27a through 27d, then subtract line 27e. **This is your total return payments.** 27f. 00

28. Add lines 22 and 23, then subtract lines 26 and 27f. **This is your amount due or (overpaid).** 28. 00

Penalties and Interest (see instructions)

29. a. Partnership information return late filing penalty 29a. 00

b. Interest on underpayment of estimated composite tax 29b. 00

c. Composite income tax return late filing penalty 29c. 00

d. Late payment penalty 29d. 00

e. Interest 29e. 00

f. Add lines 29a through 29e. **This is your total penalties and interest.** 29f. 00

Amount Owed or Refund

30. Add lines 28 and 29f 30. 00

31. If line 30 results in an amount due, enter it here. **This is the amount you owe.** 31. 00

Pay online at revenue.mt.gov. If writing a check, make it payable to MONTANA DEPARTMENT OF REVENUE.

32. If line 30 results in an overpayment, enter it here. **This is your overpayment. Enter as a positive number.** 32. 00

33. Enter the amount from line 32 that you want applied to your 2018 composite estimated tax 33. 00

34. Subtract line 33 from line 32 and enter the amount here. **This is your refund.** 34. 00

**Direct Deposit
Your Refund**Complete 1, 2, 3 and 4
(see instructions).1. RTN# 2. ACCT# 3. If using direct deposit, you are required to mark one box. ☐ Checking ☐ Savings4. Is this refund going to an account that is located outside of the United States or its territories? ☐ Yes ☐ No

Under penalties of false swearing, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of General Partner or LLC Member Manager X	Date	Printed Name and Title	Telephone Number
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Print/Type Preparer's Name	Preparer's Signature	Date	PTIN
Firm's Name	Firm's Address	Telephone Number	Firm's FEIN

Office Use Only

May the DOR discuss this tax return with your tax preparer? ☐ Yes ☐ No

17DY0201

Schedule I - Apportionment Factors for Multistate Partnerships

Enter amounts in columns A and B. Enter percentages in column C.

A. Everywhere

B. Montana

C. Factor

1. Property Factor: Use average value for real and tangible personal property.

1a. Land	1a.		00		00
1b. Buildings	1b.		00		00
1c. Machinery	1c.		00		00
1d. Equipment	1d.		00		00
1e. Furniture and fixtures	1e.		00		00
1f. Leases and leased property	1f.		00		00
1g. Inventories	1g.		00		00
1h. Depletable assets	1h.		00		00
1i. Supplies and other	1i.		00		00
1j. Property of foreign subsidiaries included in combined unitary group	1j.		00		00
1k. Property of unconsolidated subsidiaries included in combined unitary group	1k.		00		00
1l. Property of pass-through entities included in combined unitary group	1l.		00		00
1m. Multiply amount of rents by 8 and enter result	1m.		00		00
Total Property Value add lines 1a through 1m			00		00

Divide the total in column B by the total in column A. Multiply the result by 100. **This is your property factor.** 1. %**2. Payroll Factor:**

2a. Compensation of officers	2a.		00		00
2b. Salaries and wages	2b.		00		00
Payroll included in:					
2c. Costs of goods sold	2c.		00		00
2d. Other expenses and deductions	2d.		00		00
2e. Payroll of foreign subsidiaries included in combined unitary group	2e.		00		00
2f. Payroll of unconsolidated subsidiaries included in combined unitary group	2f.		00		00
2g. Payroll of pass-through entities included in combined unitary group	2g.		00		00
Total Payroll Value add lines 2a through 2g			00		00

Divide the total in column B by the total in column A. Multiply the result by 100. **This is your payroll factor.** 2. %**3. Sales (Gross Receipts) Factor:**

3a. Gross sales, less returns and allowances	3a.		00		
3b. Sales delivered or shipped to Montana purchasers:					
(1) Shipped from outside Montana	3b.(1)				00
(2) Shipped from within Montana	3b.(2)				00
3c. Sales shipped from Montana to:					
(1) United States government	3c.(1)				00
(2) Purchasers in a state where the taxpayer is not taxable	3c.(2)				00
3d. Sales other than sales of tangible personal property (e.g. service income)	3d.				00
3e. Net gains reported on federal Schedule D and federal Form 4797	3e.		00		00
3f. Other gross receipts (rents, royalties, interest, etc.)	3f.		00		00
3g. Sales (receipts) of foreign subsidiaries included in combined unitary group	3g.		00		00
3h. Sales (receipts) of unconsolidated subsidiaries included in combined unitary group	3h.		00		00
3i. Sales (receipts) of pass-through entities included in combined unitary group	3i.		00		00
3j. Less: All intercompany transactions	3j.		00		00
Total Sales Value add lines 3a through 3j			00		00

Divide the total in column B by the total in column A. Multiply the result by 100. **This is your sales factor.** 3. %**4. Add the percentages on lines 1, 2, and 3 in column C. This is the sum of your factors.** 4. %

5. Divide the total percentage on line 4, column C, by the number of factors that can be included in the calculation.
 If there is a value in column A for a factor category (Property, Payroll or Sales), you should include this factor as part of the calculation (see instructions). Enter the results here and also insert on page 1, line 19 of this form.

This is your apportionment factor. 5. %

Schedule II - Montana Partnership Tax Credits

Type of Credit		Amount of Credit
1. Dependent Care Assistance Credit	include Form DCAC	00
2. College Contribution Credit	include Form CC	00
3. Health Insurance for Uninsured Montanans Credit	include Form HI	00
4. Recycle Credit	include Form RCYL	00
5. Alternative Energy Production Credit	include Form AEPC	00
6. Contractor's Gross Receipts Tax Credit. If multiple CGR accounts, mark here.	<div style="border: 1px solid black; width: 20px; height: 20px; display: inline-block;"></div>	
CGR Account ID: <div style="border: 1px solid black; width: 40px; height: 20px; display: inline-block;"></div> - <div style="border: 1px solid black; width: 20px; height: 20px; display: inline-block;"></div> - <div style="border: 1px solid black; width: 20px; height: 20px; display: inline-block; text-align: center;">C</div> <div style="border: 1px solid black; width: 20px; height: 20px; display: inline-block; text-align: center;">G</div> <div style="border: 1px solid black; width: 20px; height: 20px; display: inline-block; text-align: center;">R</div>		00
7. Alternative Fuel Credit	include Form AFRC	00
8. Infrastructure User Fee Credit	include Form IUFC	00
9. Historic Property Preservation Credit	include federal Form 3468	00
10. Mineral and Coal Exploration Incentive Credit	include Forms MINE-CERT and MINE-CRED	00
11. Empowerment Zone Credit		00
12. Biodiesel Blending and Storage Credit	include Form BBSC	00
13. Innovative Educational Program Credit		00
14. Student Scholarship Organization Credit		00
15. Emergency Lodging Credit	include Form ELC	00
16. Unlocking Public Lands Credit		00

Type of Credit Recapture		Amount of Credit Recapture
17. Historic Property Preservation Credit Recapture		00
18. Film Production Credit Recapture		00
19. Biodiesel Blending and Storage Credit Recapture		00
20. Oilseed Crushing and Biodiesel/Biolubricant Production Credit Recapture		00

When attributing any credit or credit recapture from a partnership to its partners, use the same proportion the partnership used to report each partner's income or loss for Montana tax purposes. Include a detailed breakdown that shows each partner's share of the credit or credit recapture.

Use Montana Schedule K-1 to notify each partner of the amount of credit available to the partner.



FEIN

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Schedule IV – Montana Partnership Composite Income Tax Schedule

Part I. Eligible Participating Partners

Enter the number of eligible participating partners.
See instructions for more information about eligible participating partners.

Part II. Composite Tax Ratio

Use the amount in column 3 to complete the calculation in column H below.

1

2

3

Enter the amount from page 1, line 15 of this form.

Enter the amount from page 1, line 21 of this form.

Divide column 2 by column 1. Do not enter more than 1.000000.

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Part III. Enter below in columns A through H the required information and amounts for each eligible participating partner.

A		B		C		D		E		F		G		H	
Name		Social security number or federal employer identification number		Partner's share of federal income from entity		Standard deduction		Exemption \$2,400		Montana taxable income – Subtract columns D and E from column C.		Enter the appropriate tax from the tax table below.		Montana composite income tax. Multiply column G times composite tax ratio from Part II.	
1.				00		00		00		00		00			00
2.				00		00		00		00		00			00
3.				00		00		00		00		00			00
4.				00		00		00		00		00			00
5.				00		00		00		00		00			00
6.				00		00		00		00		00			00
7.				00		00		00		00		00			00
8.				00		00		00		00		00			00
9.				00		00		00		00		00			00
10.				00		00		00		00		00			00
11.	Enter the total composite tax from all additional pages, if used11.														00
Add column H, lines 1 through 11. This is your total composite income tax liability.															00

Add column H, lines 1 through 11. **This is your total composite income tax liability.**

Transfer the amounts from column H to each partner's Montana Schedule K-1, Part 5, Line 1.



17DY0501

If additional space is needed, make copies of this page. Include all additional pages from line 11 with the tax return.

If Your Taxable Income Is More Than	But Not More Than	Multiply Your Taxable Income By	And Subtract	This Is Your Tax
\$0	\$2,900	1% (0.010)	\$0	
\$2,900	\$5,200	2% (0.020)	\$29	
\$5,200	\$7,900	3% (0.030)	\$81	
\$7,900	\$10,600	4% (0.040)	\$160	
\$10,600	\$13,600	5% (0.050)	\$266	
\$13,600	\$17,600	6% (0.060)	\$402	
More Than \$17,600		6.9% (0.069)	\$560	

Schedule VI – Reporting of Special Transactions

Complete Schedule VI only if your partnership filed any of the federal income tax forms described below. Mark the appropriate box indicating which form(s) you filed with the Internal Revenue Service for this tax year. If your answer is "Yes" to one or more of these forms, you need to include a complete copy of your federal tax return Form 1065.

1. The partnership filed federal **Form 8918 – Material Advisor Disclosure Statement** with the Internal Revenue Service. ☐ Yes

Material advisors to any reportable transactions must file Form 8918.

2. The partnership filed federal **Form 8824 – Like-Kind Exchanges** with the Internal Revenue Service. ☐ Yes

NOTE: Mark the box if your like-kind exchange includes Montana property. Nonresidents do not have to report a like-kind exchange if the properties involved do not include Montana property.

Use Form 8824 to report each exchange of business or investment property for property of a like-kind.

3. The partnership filed federal **Form 8865 – Return of U.S. Persons With Respect to Certain Foreign Partnerships** with the Internal Revenue Service. ☐ Yes

Use Form 8865 to report the information required under 26 USC 6038 (reporting with respect to controlled foreign partnerships), Section 6038B (reporting of transfers to foreign partnerships) or Section 6046A (reporting of acquisitions, dispositions and changes in foreign partnership interest).

4. The partnership filed federal **Form 8886 – Reportable Transaction Disclosure Statement** with the Internal Revenue Service. ☐ Yes

Use Form 8886 to disclose information for each reportable transaction in which you participated.

Complete this section if you made a disbursement to a related party.

5. During this tax year, the partnership made payments to one or more related parties (excluding salary compensation) that exceed \$100,000 per recipient. ☐ Yes

If you answer "Yes" to this question, provide the name and federal employer identification number of each related party below and the amount that you paid to each related party:

Name	FEIN	Amount of Payment
		00
		00
		00

