



## Montana Tax News You Can Use

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

### Statewide Offset of Funds

The Department of Revenue's Other Agency Debts Unit facilitates the offset of state debts with state payments, which includes income tax refunds. Individuals are notified by mail if their income tax refund has been seized through this program and are allowed an opportunity to dispute the action. If the funds were seized due to a non-state agency levy (IRS or collection agency), the agency seizing the funds is responsible for notifying the individual.

If individuals search for their refund on the department's [Where's My Refund?](#) online service and the refund has been offset for debt, the service will not indicate offset or say the refund has been issued. The service will instead indicate the return has been processed and provide the call center contact information.

### Reminders on Montana's Family Education Savings Deduction

Montana law allows for a subtraction from an individual's federal adjusted gross income for qualifying contributions to a 529 savings plan. The department wants to remind taxpayers and their preparers about a couple of aspects of the subtraction.

First, beginning in 2013, a change in law made by the Montana Legislature allows the subtraction for qualifying contributions to any state's 529 savings plan - not just the Montana plan. All other requirements, such as the relationship of the account owner to the contributor and limitation on the amount subtracted, remain the same. It is important to note that contributions to a prepaid tuition plan sponsored by a state *do not* qualify for the subtraction.

Also, the contribution must be made by December 31 of the tax year the subtraction will be claimed. Some other states' plans allow contributions made by April 15 to be attributed to the prior year, but that does not apply to the Montana subtraction.

### Do You Have Suggestions for Our Income Tax Forms?

We continuously strive to provide tax forms that are easy to complete and are understood by everyone who uses them. We're now beginning the process of reviewing and updating the Montana tax forms for the next tax year, as we do every year around this time. As a preparer, you use many of these forms on a daily basis and see many different situations play out with them. For that reason, we would like to hear, and would value, any constructive comments or suggestions you have regarding our tax forms.

Please feel free to email those comments or suggestions to Justin Ahlers, Income Tax Specialist, at [jahlers@mt.gov](mailto:jahlers@mt.gov).

## 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](mailto:DORe-services@mt.gov).

## Target Tax Dates

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 returns (Form PR-1)
- filing disregarded entity returns (Form DER-1) for entities owned by partnerships

## Tax Facts

For 2015, as of March 20:

- Total number of individual income tax returns we've processed: 257,990
- Number of individual tax returns we've received electronically: 248,614
- Number of individual income tax refunds we've issued: 218,637
- Average amount of refunds: \$411.04

As of March 24:

- Number of fraudulent tax returns we've intercepted: 549
- Amount of fraudulent refunds we've prevented: \$641,688

## Contact us

Visit us online at [revenue.mt.gov](http://revenue.mt.gov); email us at [DORCustomerAssistance@mt.gov](mailto:DORCustomerAssistance@mt.gov); or, call us toll-free at (866) 859-2254 or in Helena at (406) 444-6900.



*It pays to follow Revenue on [Twitter](#): @MTRRevenue*

### Montana Department of Revenue | Tax News You Can Use

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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](mailto:DORWritingProject@mt.gov).