

Montana *Tax News You Can Use*

Montana Department of Revenue

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

Individual Income Tax Filing Timeline for Montana

January 19, 2016: The Department of Revenue will begin processing Montana 2015 individual income tax returns submitted via federal/state e-file, [Taxpayer Access Point \(TAP\)](#), and paper. This date coincides with the IRS timeline to begin processing.

Business Tax Filing Timeline for Montana

January 19, 2016: The Department of Revenue will begin processing Montana 2015 business returns (CIT, CLT4-S, PR-1, and FID). The IRS recently announced plans to open the 2016 e-filing season for business returns on January 9. Tax software companies who have successfully tested and are approved for federal and state e-filing may begin accepting federal/state tax returns earlier in January and submit them to the IRS. What this means for Montana taxpayers is that if you e-file your federal and state business tax returns, they will be held until the state begins processing them on January 19. Montana 2015 business returns submitted on paper will also begin processing on January 19.

Approved Tax Software for Tax Year 2015

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 that it's compatible with our electronic filing system. You can find the latest approval status of each product on the department's website under [Online Services > Tax Software](#).

Taxpayer Access Point (TAP) Withholding Reporting

Employers, third-party representatives, and payroll service providers can file W-2 and 1099 forms, along with their MW-3 annual wage withholding tax reconciliation forms, online.

Employers can manually enter their MW-3 and an unlimited number of forms W-2, W-2G, 1099-DIV, 1099-INT, 1099-R, and 1099-MISC.

To manually enter and submit your Montana withholding forms, log into your TAP withholding account, select "*File Single Withholding Forms*" in the TAP menu bar, enter your records, and select submit. It's that easy!

You can also file your MW-3, W-2s, and 1099s using TAP *File Upload* <https://tap.dor.mt.gov/> under the Business section's *File Upload*. Online instructions for using TAP File Upload are available [here](#).

Reminder: Bank Routing Number Changes

Banks merge and bank routing numbers occasionally change. When you're filling out direct debit payment or direct deposit refund information on your taxes, pay special attention to the routing and account numbers. It's a good idea to confirm the routing number and account number with your financial institution. Also be sure to update any banking information you may have saved online to submit tax payments to the department.

An example of this from early 2015 included the Mountain West Bank merger with First Interstate Bank. The Mountain West routing numbers 092001677 and 092901638 were changed to 092901683.

File Your POA Form on TAP

Did you know the Montana Power of Attorney (POA) form can be submitted online on Taxpayer Access Point (TAP)? It is simple to do and ensures that we can discuss your clients' tax matters with you. Keep in mind, each individual taxpayer has to complete a separate POA form.

Go to [TAP](#) and choose Add Power of Attorney.

Tax Credits for School Donations

Senate Bill 410 created two separate tax credits for contributions to certain programs that support elementary and secondary educational opportunities. Effective January 1, 2016, taxpayers can claim a credit of up to \$150 for contributions to a fund supporting innovative educational programs in Montana public schools. Taxpayers can also claim a separate credit of up to \$150 for contributions to qualifying organizations which provide scholarships to private schools. Each program has a maximum of \$3 million in tax credits that award on a first-come, first-served basis. Taxpayers wishing to claim one or both of these credits need to visit our website:

<http://svc.mt.gov/dor/educationdonations/>

DOR Employees to Offer Tax Updates & Training

Department of Revenue employees will be giving presentations at various programs around the state and talking about changes in state tax laws and rules, changes to forms, and changes in federal taxes and what impact they might have on Montana. Bozeman Chapter of Montana Society of Public Accountants (MSCPA), **Thursday, January 21**, 11:30 a.m. to 1:00 p.m., Holiday Inn. RSVP by January 14 to Troy Watling at bozemancpas@gmail.com.

Great Falls Chapter of MSCPA, **Thursday, January 28**, noon to 2:00 p.m., Good Eats Cafe. RSVP by January 26 to Gabbye Rector at gabbye.rector@north40.com.

DOR Field Audit Unit Manager Brian Olsen will provide a general update at both presentations and Pass-Through Unit Manager Tracee Abel will provide information on Montana's filing and remittance requirements for pass-through entities at the Great Falls presentation. She will present the pass-through information in Bozeman at a later date.

New Taxpayer Assistance Officer

Kristan Barbour has replaced Rich Bechtel in the Montana Department of Revenue's Office of Taxpayer Assistance and Outreach. As announced in the December 3 issue of *Tax News You Can Use*, Rich retired at the end of December.



Kristan has been with the DOR as the Director's Office Management Officer for the last 5 ½ years. During this time, Kristan has also been the back-up to the Taxpayer Assistance Officer position so she is well aware of the unique challenges and rewards associated with this position.

The department is very pleased to have Kristan take over this role. You can reach Kristan at (406) 444-2762 and KBarbour@mt.gov.

Tax Facts

For calendar year 2015:

- Total number of individual income tax returns we processed: 534,670
- Number of individual tax returns we received electronically: 465,181
- Number of individual income tax refunds we issued: 404,929
- Average amount of refunds: \$480

As of December 31, 2015:

- Number of fraudulent tax returns we intercepted: 1,728
- Amount of fraudulent refunds we prevented: \$1,881,517

Contact Us

Web: Revenue.mt.gov

Email: DORCustomerAssistance@mt.gov

Toll Free: 1-866-859-2254

Helena: (406) 444-6900



It pays to follow Revenue on Twitter: @MTRRevenue

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 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 revenue.mt.gov and click on the "Tax News You Can Use" tab.

We welcome your suggestions for articles, as well as your questions and comments. Send them to DORWritingProject@mt.gov.

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Edited by [Molly A. Petersen](#)



Montana Department of Revenue | P.O. Box 5805 | Helena | MT | 59604