

Montana Tax News You Can Use

Montana Department of Revenue

December 15, 2016

In This Issue

[TAP Down During Upgrade](#)

[Changes Coming to TAP](#)

[2016 MW-3s in January](#)

[Active Guard Reserve
Withholding](#)

[Updates from DOR Tax
Specialists](#)

[Preview Form Drafts](#)

[Protect Online Security](#)

[2017 TNYCU Schedule](#)

[VITA/TCE Volunteers](#)

[Business Equipment Reporting
Forms](#)

[Livestock Reporting Forms](#)

[New Biennial Report](#)

[New ODR Hearing Officer](#)

[Administrative Rule Activity](#)

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

TAP Down During Upgrade

Taxpayer Access Point (TAP) will not be available from December 29 at 4:30 p.m. to January 3 at 8:00 a.m.

We are upgrading this service and changing its name to TransAction Portal. It will return as the same TAP that you know, plus it will have new, user-friendly improvements. TAP will continue to be an easy, convenient, and secure way for you to conduct business with the department.

As part of the upgrade, **starting Friday, December 23 at 5:00 p.m. you will not be able to pay with a credit card on TAP.** The ability to pay with a credit card on TAP will resume January 3 at 8:00 a.m.

Changes Coming to TAP: January 3, 2017

The Montana Department of Revenue is upgrading its web-based Taxpayer Access Point system and changing the name to TransAction Portal (TAP). While the name of TAP is changing, the link to the site will remain the same: <https://tap.dor.mt.gov/>

TAP will be unavailable for a few days starting December 29 at 4:30 p.m. The new TransAction Portal will go live on January 3 at 8:00 a.m. TAP will continue to be an easy, convenient, and secure way for you to conduct business with the department.

New features as of January 3 include:

- TAP is now smart phone and tablet friendly. Most activities on TAP can be performed on your mobile devices.
- Once logged in to TAP, the Correspondence tab on the Home and Account screens provides a record of requests submitted online, notices, and most letters sent by the department dating back three years.
- Alerts indicate outstanding balances, unread correspondence, and returns available to file. These alerts also provide links to allow users to quickly make a payment, read correspondence, or file a return.

2016 MW-3s Coming in January

The Montana Department of Revenue will mail the 2016 Forms MW-3 "Montana Annual W-2 1099 Withholding Tax Reconciliation" (MW-3s) in early January.

We are currently implementing a core software upgrade to our computer system. While we feel fortunate to work with an enhanced system starting next year, the process will change some of our year-end processes. Consequently, the mailing of the 2016 MW-3s will happen later than usual. We respectfully ask all users to plan accordingly.

Understanding that employers and practitioners prefer to receive MW-3s earlier, we will resume sending the MW-3s in early December next year.

The 2016 MW-3s are still due by February 28, 2017. You can file them electronically on Taxpayer Access Point <https://tap.dor.mt.gov/> starting in early January. You can also file them using the enhanced version of QuickBooks.

State Income Tax Withholding - Title 32 Active Guard Reserve

Effective January 1, 2017, Defense Finance and Accounting Service (DFAS) will begin withholding Montana state income tax from the pay of Title 32 Active Guard Reserve (AGR) members whose legal state of residence is Montana. Although active duty members of the regular armed forces are exempt from Montana income tax, National Guard AGR members are not tax exempt and withholding for state income taxes is appropriate.

Previous to this change, the National Guard AGR members submitted estimated tax payments to help fulfill their Montana filing obligations. This was often burdensome for both the servicemembers and their tax practitioners. As a result, the Department of Revenue was pleased to work with representatives from DFAS and the Montana National Guard to help implement the new wage withholding provisions.

A notice from DFAS was sent to impacted National Guard AGR members earlier this month. In addition, these service members can contact Robin Sayler, Withholding Tax Specialist, at rsayler@mt.gov or (406) 444-1991 with any specific questions about Montana withholding tax.

DOR Tax Specialists Presenting Montana Tax Updates in January

Chapters of the Montana Society of Certified Public Accountants (MSCPA) will host DOR tax specialists Tracee Abel and David Merrien at events across the state in January. They will discuss changes in state tax laws and rules, changes to forms, and changes in federal taxes that impact Montana.

January 3, Kalispell, 12:00 p.m. to 2:00 p.m. at the Red Lion Hotel. Lunch is provided for \$15/members and \$25/nonmembers. For registration details or to RSVP, contact Jacob Turley at jacobafins@gmail.com.

January 4, Rural Chapter (Webcast), 12:00 p.m. to 2:00 p.m. The Rural Chapter of the Montana Society of Certified Public Accountants (MSCPA) will be hosting a two-hour webinar for chapter members only. For registration details, [click here](#).

January 18, Bozeman, 12:00 p.m. to 2:00 p.m., location to be determined. For registration details or to RSVP, contact Margaret Herriges at margaret@mscpa.org.

January 19, Great Falls, 12:00 p.m. to 2:00 p.m. at the O'Haire Motor Inn. Lunch is provided for \$10 for members and nonmembers. For registration details or to RSVP, contact Amanda Manuel at amanda.manuel@jccscpa.com.

January 25, Webcast, 2:00 p.m. to 4:00 p.m. The Montana Society of Certified Public Accountants (MSCPA) will be hosting a two-hour webinar for members and nonmembers. For registration details, [click here](#).

Preview Drafts of 2016 Individual and Business Tax Forms

Go to revenue.mt.gov, [Forms button](#), to preview the 2016 draft individual and business tax forms for individuals, corporations, pass-through entities, estates, and trusts. You can also find draft forms for wage withholding and mineral royalty withholding on this page.

Keep in mind that these are drafts only and are therefore subject to change. These forms are for public review and should not be used for software development.

DOR Asks Preparers and Taxpayers to Be Vigilant About Online Security

The Montana Department of Revenue joins the Internal Revenue Service and other states and associations in appealing to taxpayers to take online security precautions.

This is the second year of the "Taxes. Security. Together." public awareness campaign aimed at encouraging taxpayers to take stronger measures to protect their financial and tax data. The department asks tax preparers to help by sharing information about security precautions with your clients.

The campaign features a series of security awareness tax tips, a round-up of suggestions at the [Taxes. Security. Together.](#) web page and a one-page [Publication 4524](#), Security Awareness for Taxpayers. You can also find security information from the Montana Department of Revenue at revenue.mt.gov.

TNYCU Publication Schedule

You can look forward to new issues of *Tax News You Can Use* on the following dates:

2017

January 5

January 19

Every Thursday in February (2, 9, 16, 23)

Every Thursday in March (2, 9, 16, 23, 30)

April 6

April 13

May 4

We will add dates after May as needed.

VITA/TCE Needs Volunteers

How would you like to help people with low to moderate incomes file their taxes? The Internal Revenue Service Volunteer Income Tax Assistance/Tax Counseling for the Elderly (VITA/TCE) programs are recruiting volunteers to assist with income tax preparation and related activities at sites across Montana.

Every year, tax volunteers prepare thousands of state and federal individual income tax returns as a public service for Montana taxpayers. **There is a role for anyone who wants to help.** For additional information or to sign up to be a volunteer, contact Wendi Castle, IRS Relationship Manager, at (406) 444-8625, or go to irs.gov and type "tax volunteer" in the search box. Sign up now and make a difference in your community!

Business Equipment Reporting Forms Due March 1

The department will mail 2017 personal property reporting forms to business owners January 3. Business and industrial taxpayers have until March 1 to report their business equipment or personal property to the department.

Businesses can submit their reporting form electronically through the department's TransAction Portal (TAP) at <https://tap.dor.mt.gov/> or complete the paper form they receive and mail or deliver it to the department.

Whether a taxpayer filed electronically in 2016 or by paper, all of their reported business equipment for 2016 is prepopulated to the department's 2017 online reporting system. Tax preparers and other third-party preparers, authorized by the taxpayer, can also access their client's account to complete the reporting requirements.

Businesses need to report heavy equipment, manufacturing and mining equipment, farm and ranch equipment, oil and gas equipment, and miscellaneous equipment. For more information, visit revenue.mt.gov or call toll free 1-866-859-2254 or, in Helena, 444-6900.

Livestock Reporting Forms Due March 1

The Department of Revenue will mail livestock reporting forms January 9 to Montana livestock owners.

About 20,000 Montanans who reported livestock last year will receive reporting forms. All livestock owners need to report by March 1 any livestock they own as of February 1. Livestock owners can submit the hardcopy form or file online at ReportYourLivestock.mt.gov.

Livestock owners who have not reported in the past need to report online or fill out a reporting form available at revenue.mt.gov/property-forms, or pick up a form at their local Department of Revenue office.

Livestock per capita fees are due May 31. Livestock owners can pay when they report. If they don't pay then, they will receive their per capita fee bill in early May.

For more information, visit ReportYourLivestock.mt.gov or call toll free (866) 859-2254, in Helena 444-6900.

2014-2016 Biennial Report Online Now

The Montana Department of Revenue released its Biennial Report this week. The 375-page publication provides detailed information on taxes administered by the department and tax collections for the biennium between July 1, 2014, and June 30, 2016. Montana law requires that the Department of Revenue publish the report every two years and submit it to the governor and legislature. It is available to the public online from an icon on the homepage at revenue.mt.gov and under the [Publications](#) tab.

The first major section of the Biennial Report presents an overview of the Department of Revenue and the makeup of Montana's tax base. The second section focuses on the individual taxes that provide the framework of Montana's tax base and describes all the taxes that the department collects and distributes, including individual and corporate income taxes, natural resources taxes, property taxes, and miscellaneous taxes such as those on cigarettes, alcohol, estates, and inheritance.

Previous biennial reports are available online at revenue.mt.gov under [Publications](#).

New Hearing Officer for Montana Office of Dispute Resolution

The Montana Department of Revenue announces a new hearing examiner in the department's Office of Dispute Resolution (ODR). Department attorney Michele Crepeau is transitioning into the hearing examiner position through December. She will fully assume the position January 3.



ODR is an independent adjudicatory office established by the department to render fair, objective, and unbiased decisions about tax disputes. Along with all other state agency hearing examiners, Michele assumes a unique status in state government.

"I am extremely honored and excited to have been chosen to fill this position," said Michele. "I look forward to the challenges that come with being a hearing examiner. My goal is to undertake the statutory responsibilities of the ODR fairly and mindfully."

Michele has worked for the Department of Revenue for 17 years as an attorney with a primary focus on property assessment and litigation. The department is confident that Michele's ability to work with taxpayers and department staff will prove to be a great asset for the ODR.

Please feel free to contact Michele with questions or just to say hello. You can reach her at (406) 444-3341 or MCrepeau@mt.gov.

Administrative Rule Activity

Go to revenue.mt.gov/rules for information about the department's current rulemaking activity, public hearing dates, and to sign up to receive future notices by email.

Contact MT DOR

Web: Revenue.mt.gov
Email: DORCustomerAssistance@mt.gov
Toll Free: 1-866-859-2254
Helena: (406) 444-6900



Tax News You Can Use: DORWritingProject@mt.gov

We welcome your suggestions for articles, as well as your questions and comments.

It pays to follow Revenue on Twitter: @MTRRevenue

Subscribe

Go to the [Newsroom](#) page on revenue.mt.gov and click the "Tax News You Can Use" tab.

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.

Montana Department of Revenue | Tax News You Can Use
Edited by [Molly A. Petersen](#)

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

Sent by dorwritingproject@mt.gov in collaboration with

Constant Contact 

[Try it free today](#)