



2005 Montana S. Corporation Information and Composite Tax Return

S

MONTANA
CLT-4S
Rev. 9-05

Attach a copy of federal Form 1120S and Schedule K-1(s)

For calendar year 2005 or tax year beginning (MM-DD) ___ - ___ - **05** and ending (MM-DD-YY) ___ - ___ - ___

Name		Check box if this is a change of address. <input type="checkbox"/>	FEIN: _____
Address			Federal Business Code: _____
City	State	Zip + 4	Incorporated in State of: _____
			Date: _____
			Date Qualified in Montana: _____

Check here, if you do not need the Montana S. Corporation Information Return and Instructions sent to you next year.

Check here, if you are filing Schedule V, Backup Withholding Payments with this return.

Check if this an initial return Check here if this is an amended return

Check if this is a final return If you check the box above, check all that apply below:

Reason for final return		a. Federal Revenue Agent Report (a complete copy of this report is required)	a. <input type="checkbox"/>
a. Withdrawn	a. <input type="checkbox"/>	b. Apportionment factor changes (attach a statement explaining adjustments)	b. <input type="checkbox"/>
b. Dissolved	b. <input type="checkbox"/>	c. Amended federal return	c. <input type="checkbox"/>
c. Merged	c. <input type="checkbox"/>	d. Amended composite return	d. <input type="checkbox"/>
d. Reorganized	d. <input type="checkbox"/>	e. Other (attach a statement explaining all adjustments in detail)	e. <input type="checkbox"/>

Shareholders' Shares of Income (Loss) (Form 1120S, Schedule K)

Shareholders' Pro Rata Share Items

1. Enter ordinary business income (loss)	1.	
2. Enter net rental real estate income (loss) (attach federal Form 8825)	2.	
3. a. Enter other gross rental income (loss)	3a.	
b. Enter expenses from other rental activities (attach schedule)	3b.	
c. Subtract line 3b from line 3a. This is your other net rental income or loss.	3c.	
4. Enter interest income	4.	
5. Enter ordinary dividends	5.	
6. Enter royalties	6.	
7. Enter net short-term capital gain (loss) (attach federal Schedule D, Form 1120S)	7.	
8. Enter net long-term capital gain (loss) (attach federal Schedule D, Form 1120S)	8.	
9. Enter net section 1231 gain (loss) (attach federal Form 4797)	9.	
10. Enter other income (loss)	10.	
11. Add lines 1 through 10 and enter result. This is your total share of income or loss.	11.	

Shareholders' Shares of Deduction (Form 1120S, Schedule K)

12. Enter section 179 deduction (attach federal Form 4562)	12.	
13. a. Enter contributions	13a.	
b. Enter investment interest expense	13b.	
c. Enter section 59(e)(2) expenditures Type _____ Amount →	13c.	
d. Enter other deductions (attach schedule)	13d.	
14. Add lines 12 through 13d and enter result. This is your total share of deductions.	14.	

Shareholders' Distributive Shares of Montana Additions and Exclusions to Income

15. a. Enter interest and dividends not taxable under the Internal Revenue Code (non-Montana.)	15a.	
b. Enter taxes based on income or profits.	15b.	
c. Enter other additions (attach detailed breakdown.)	15c.	
Add lines 15a, 15b, and 15c and enter result. This is your total Montana additions to income.	15.	
16. a. Enter interest on U.S. Government obligations (attach schedule.)	16a.	
b. Enter deduction for purchasing recycled material (attach Form RCYL.)	16b.	
c. Enter other deductions (attach detailed breakdown.)	16c.	
Add lines 16a, 16b, and 16c and enter result. This is your total Montana deductions to income.	16.	
17. Subtract line 14 from line 11. Add the result to line 15, then subtract line 16 from that result.	17.	

Shareholders' Distributive Shares of Multi-state Apportionment and Allocation

18. Multi-state taxpayers: Enter line 17 X _____ % from Montana Schedule I, line 5.	18.	
19. Multi-state taxpayers should enter here their income or loss that they allocate directly to Montana.	19.	

Calculation of Net Amount Due

S. Corporation Information Return Late Filing Penalty Payment

20. Enter your S. corporation late filing penalty (see instructions) 20.

S. Corporation Composite Income Tax Calculation

21. Enter your Montana total composite tax (from Schedule IV, column J) 21.

Payments

22. a. Enter your 2004 overpayment applied to 2005 22a.
 b. Enter your 2005 extension payment 22b.
 c. Enter your 2005 estimated tax payments 22c.
 d. Enter other payments 22d.
 e. Enter previously issued refunds 22e. ()
 Add lines 22a through 22e and enter result. **This is the total of your payments.** 22.

Refund or Amount Owed

23. Subtract line 22 from line 21 and enter result. **This is your net Montana composite tax due (refund).** 23.
 24. Enter your underpayment interest (see instructions.) 24.
 25. Enter your late filing penalty 25.
 26. Enter your late payment penalty 26.
 27. Enter your interest from due date at 12% per year, accrued daily. 27.
 28. Add lines 23 through 27 and enter result. **This is your net Montana composite amount due (refund).** 28.

S. Corporation Combined Payment Due (Refund)

29. Add lines 20 and 28 and enter result. **This is your total tax and penalties due (refund).** 29.
 30. Enter the amount on line 29 to be applied to 2006 estimate. 30.
 31. Add lines 29 and 30 and enter result. **This is your total net composite tax and penalty due (refund).** . 31.

S. Corporation Backup Withholding Payment from Schedule V

32. Enter your Montana individual income tax withheld (from Schedule V, column E) 32.
 33. Enter your payments previously made for tax withheld 33. ()
 34. Subtract line 33 from line 32. **This is your total S. corporation backup withholding due.** 34.
 35. Add lines 31 and 34 and enter result. **This is your net amount due.** 35.

This return has to be signed by one of the following: president, vice president, treasurer, assistant treasurer, or chief accounting officer.

Declaration

I, the undersigned officer of the corporation for which this return is made, hereby declare that this return, including all accompanying schedules and statements, is to the best of my knowledge and belief a true, correct and complete return, made in good faith for the income period stated, pursuant to the Montana statutes and regulations.

Signature of officer	Date	
Print name	Title	Telephone number, ext.
Name of person or firm preparing return		Date
Preparer's identification number		Telephone number

Check here to authorize the Montana Department of Revenue to discuss your return with the individual/preparer listed above.

Entity Name _____ Tax period ending _____ FEIN _____

Reporting of Special Transactions

Transaction

<p>Complete this section only if you were required to complete for federal income tax purposes any of the federal forms described below. Check the appropriate box indicating which form(s) were required to be filed with your federal income tax return. If your answer is "yes" to any of these questions, you will need to attach a copy of the applicable federal form.</p>	<p>Check "yes" if you are required to file any of the following forms with the Internal Revenue Service.</p>
<p>1. I am required to file federal Form 8264 – Application for Registration of a Tax Shelter with the Internal Revenue Service.</p> <p>Form 8264 is required to be filed to register a tax shelter. Upon filing Form 8264, you receive a tax shelter registration number from the Internal Revenue Service. This tax shelter number is provided to investors in the tax shelter.</p>	<p>1. <input type="checkbox"/> YES</p>
<p>2. I am required to file federal Form 8271 – Investor Reporting of Tax Shelter Registration Number with the Internal Revenue Service.</p> <p>Form 8271 is used to report the tax shelter registration number that the Internal Revenue Service assigns to certain tax shelters required to be registered under 26 USC 6111 and to report the name and identifying number of the tax shelter.</p>	<p>2. <input type="checkbox"/> YES</p>
<p>3. I am required to file federal Form 8824 – Like-Kind Exchanges with the Internal Revenue Service.</p> <p>NOTE: Check "yes" 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.</p> <p>Form 8824 is used to report each exchange of business or investment property for property of a like kind.</p>	<p>3. <input type="checkbox"/> YES</p>
<p>4. I am required to file federal Form 8865 – Return of U.S. Persons With Respect to Certain Foreign Partnerships with the Internal Revenue Service.</p> <p>Form 8865 is used 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).</p>	<p>4. <input type="checkbox"/> YES</p>
<p>5. I am required to file federal Form 8886 – Reportable Transaction Disclosure Statement with the Internal Revenue Service.</p> <p>Form 8886 is used to disclose information for each reportable transaction in which you participated.</p>	<p>5. <input type="checkbox"/> YES</p>
<p>6. I am required to file federal Form 13657 – Notice of Election by Corporation to Participate in Announcement 2005-19 Settlement Initiative with the Internal Revenue Service.</p> <p>Form 13657 is an election to participate in the settlement initiative as described in Announcement 2005-19 and as contained in Internal Revenue Bulletin 2005-11 dated March 14, 2005.</p>	<p>6. <input type="checkbox"/> YES</p>

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

<p>7. During this tax year I have made payments to related parties (excluding salary compensation) that exceed \$100,000 per recipient.</p> <p>If your answer is "yes" to this question, please provide the name and federal identification number of each related party below and the amount that you paid to each related party:</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 33%;">Name</td> <td style="width: 33%;">FEIN</td> <td style="width: 33%;">Amount of Payment</td> </tr> <tr> <td>_____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>_____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>_____</td> <td>_____</td> <td>_____</td> </tr> </table>	Name	FEIN	Amount of Payment	_____	_____	_____	_____	_____	_____	_____	_____	_____	<p>7. <input type="checkbox"/> YES</p>
Name	FEIN	Amount of Payment											
_____	_____	_____											
_____	_____	_____											
_____	_____	_____											

Schedule I

Entity Name _____ Tax period ending _____ FEIN _____

Apportionment Factors for Multi-state S. Corporations

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

A. Everywhere	B. Montana	C. Factor
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1. Property Factor: Use average value for real and tangible personal property

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

Take the total in column B and divide it by the total in column A. Multiply the result by 100.

This is your property factor %

2. Payroll Factor:

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

Take the total in column B and divide it by the total in column A. Multiply the result by 100.

This is your payroll factor %

3. Sales (Gross Receipts) Factor:

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

Take the total in column B and divide it by the total in column A. Multiply the result by 100.

This is your sales factor. %

4. Add the percentages on lines 1, 2, and 3 in column C. This is the sum of your factors. %

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 line 18, page 1 of Form CLT-4S. This is your apportionment factor. %

Schedule II

Entity Name _____ Tax period ending _____ FEIN _____

Montana S. Corporation Tax Credits

Type of Credit	Amount of Credit	
1. Enter Montana Dependent Care Assistance Credit attach Form DCAC		
2. Enter Montana College Contribution Credit attach Form CC		
3. Enter Health Insurance for Uninsured Montanans Credit attach Form HI		
4. Enter Montana Recycle Credit attach Form RCYL		
5. Enter Alternative Energy Production Credit attach Form AEPC		
6. Enter Contractor’s Gross Receipts Tax Credit attach supporting schedule		
7. Enter Alternative Fuel Credit attach Form AFCR		
8. Enter Infrastructure Users Fee Credit		
9. Enter Qualified Endowment Credit attach Form QEC		
NEW 9a. Enter Qualified Endowment Credit Recapture	()
10. Enter Historical Buildings Preservation Credit attach federal Form 3468		
11. Enter Increase Research and Development Activities Credit ... attach Form RSCH		
12. Enter Mineral Exploration Incentive Credit attach Form MINE-CRED		
13. Enter Developmental Disability Account Contribution Credit		
14. Enter Empowerment Zone Credit		
NEW 15. Enter Film Production Credit attach Form FPC		
NEW 16. Enter Biodiesel Blending and Storage Credit attach Form BBSC		
NEW 17. Enter Oilseed Crushing and Biodiesel Production Credit attach Form OSC		
Add lines 1 through 17 and enter result. This is the amount of your total credits.		

Any credit allowed to an S. corporation has to be attributable to its shareholders using the same proportion that is used when it reported that S. corporation’s income or loss for Montana income tax purposes. Please provide a detailed breakdown that shows each shareholder’s share of the credit.

In order to receive these credits, all shareholders will have to attach their applicable credit forms to their individual income or corporation license tax returns.

Schedule III

Entity name _____ Tax period ending _____ FEIN _____

Montana S. Corporation Information

Enter the total number of shareholders that own this corporation. _____

Columns E through H have to be filled out for all nonresident individual and second-tier entity shareholders.

All Shareholders				Nonresident or Pass-Through Entity Shareholders Additional Information			
A	B	C	D	E	F	G	H
Name and address of shareholder (Name Street Address City State Zip Code)	Social Security Number OR Federal Employer Identification Number	Ownership %	Montana source income	Federal income from entity (from federal Schedule K-1)	Composite income tax (from Schedule IV, column J)	Shareholder withholding (from Schedule V, column E)	Consent agreement or statement (enter year signed)
1.	SSN						
	FEIN						
2.	SSN						
	FEIN						
3.	SSN						
	FEIN						
4.	SSN						
	FEIN						
5.	SSN						
	FEIN						
6.	SSN						
	FEIN						
7.	SSN						
	FEIN						
Column Totals							

Use additional sheets if necessary or you may create your own schedule if you use the exact same format used here.

Schedule IV

Entity name _____ Tax period ending _____ FEIN _____

Montana S. Corporation Composite Income Tax Schedule

Eligible Participating Shareholders: An eligible participant is a shareholder who is a nonresident individual or a pass-through entity whose only Montana source income for the tax year is from this entity and from other pass-through entities who have elected to file a composite return and pay a composite tax on behalf of the eligible participating shareholder. The entity must retain an executed power of attorney signed by the eligible participating shareholder, authorizing the S. corporation to file a composite return and act on the shareholder's behalf.

Enter the number of participating shareholders. _____

Enter below in columns A through J the required information and amounts for each eligible participating shareholder.

A	B	C	D	E	F	G	H	I	J
Name	Social Security Number OR Federal Employer Identification Number	Federal income from entity	Standard deduction	Exemption \$1,900	Calculate Montana taxable income. Subtract column D from column C then subtract column E from the result.	Enter the appropriate tax from the tax table below.	Montana source income	Ratio. Divide column H by column C and enter result.	Montana composite income tax. Multiply G times I and enter result.
1.									
2.									
3.									
4.									
5.									
6.									
7.									
8.									
9.									
10.									
11.									
13.									
14.									
Column J Total									

Use additional sheets if necessary or you may create your own schedule if you use the exact same format used here.

Transfer the total from column J to CLT-4S, page 2, line 21.

If Taxable	But not					If Taxable	But not				
Income is Over	Over	Multiply by	and	Subtract	= Tax	Income is Over	Over	Multiply by	and	Subtract	= Tax
\$ 0	\$ 2,300	X 1%		\$ 0		\$ 8,400	\$ 10,800	X 5%		\$ 210	
\$ 2,300	\$ 4,100	X 2%		\$ 23		\$ 10,800	\$ 13,900	X 6%		\$ 318	
\$ 4,100	\$ 6,200	X 3%		\$ 64		\$ 13,900		X 6.9%		\$ 443	
\$ 6,200	\$ 8,400	X 4%		\$ 126							

Schedule V

Entity name _____ Tax period ending _____ FEIN _____

Pass-Through Entity Backup Withholding Schedule

Enter the appropriate information below.

Total number of shareholders subject to Schedule V _____

Nonresident individual and second-tier pass-through entity	Identification number		Income and backup withholding		
	A	B	C	D	E
Name and address	Social Security Number	Federal Employer Identification Number	Montana source income reported on Form PT-WH, line 1	Montana individual tax withheld	Multiply column D by 6.9% and enter result.
1.					
2.					
3.					
4.					
5.					
6.					
7.					

Add amounts in column E and enter the result here (transfer to Form CLT-4S, page 2, line 32).

This is your total backup withholding.

Use additional sheets if necessary or you can create your own schedule if you use the exact format used here.



Montana Department of
REVENUE

MONTANA
PT-WH
Rev. 9-05

2005 Montana Income Tax Withheld for a Nonresident Individual, Foreign C. Corporation, or Second-Tier Pass-Through Entity

Owner Information	Entity Information Enter the information below as it appears on your most recent return filed with the Internal Revenue Service.
Name	Name
Street or Other Mailing Address	Street or Other Mailing Address
City State Zip Code	City State Zip Code
Social Security Number or Federal Employer ID Number	Federal Employer ID Number
1. Owner's Montana source income reflected on the pass-through entity's information return. \$ _____	Check the box that describes the type of return that you filed. <input type="checkbox"/> S. Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Disregarded Entity Enter the beginning and ending dates of your taxable year. Tax year beginning (mm/dd)___/___/05, and ending (mm/dd/yy)___/___/___
2. Enter the amount of Montana tax withheld. If the owner is a nonresident individual or a second-tier pass-through entity, multiply line 1 by 6.9%. If the owner is a foreign C. corporation, multiply line 1 by 6.75%. \$ _____	

This form is to be completed when the owner does not participate in submitting a composite return and does not submit a signed Montana Form PT-AGR or PT-STM.

Owner or Partner Instructions

What does a nonresident individual need to do with this form?

We consider the amount of Montana income tax that is withheld as an estimated payment against your Montana individual income tax liability. When you complete your Montana Individual Income Tax Return, Form 2, you should claim the amount in box 2 above as an estimated payment on line 59 of your 2005 Montana Form 2. Form PT-WH has to be attached to your Montana Form 2 when you claim this estimated payment.

What does a foreign C. corporation need to do with this form?

We consider the amount of Montana income tax that is withheld as an estimated payment against your Montana corporation license tax liability. When you complete your Montana Corporation License Tax Return, Form CLT-4, you should claim the amount in box 2 above as an estimated payment on line 11(b) for your 2005 Montana Form CLT-4. You will have to attach your Form PT-WH to your Montana Form CLT-4 when you claim this estimated payment.

What does a second-tier pass-through entity need to do with this form?

We consider the amount of Montana income tax that is withheld as an estimated payment on the account of the individual, estate, trust or C. corporation in which the Montana source income of the first-tier pass-through entity's income is directly or indirectly passed through. The amount withheld can be claimed as an estimated tax payment on the Montana return filed by the owners of the second-tier pass-through entity. This amount has to be allocated to the owners based on the owners' share of income or loss from the second-tier pass-through entity.

Entity Instructions

What is the purpose of Form PT-WH?

A pass-through entity that has a nonresident individual, foreign C. corporation, or second-tier pass through entity owner at any time during the tax year has to remit amounts to the Department of Revenue on behalf of the owner as provided in 15-30-1113, Montana Code Annotated, if (1) the entity does not have a valid, currently effective tax agreement or statement from the owner and (2) the owner does not participate in filing a composite return with the entity.

How much should the pass-through entity withhold?

For a nonresident individual and a second-tier pass-through entity, the amount withheld is 6.9% of the Montana source income as reflected on your Montana information return. For a foreign C. corporation, the amount withheld is 6.75% of the Montana source income as reflected on your Montana information return.

Where does a pass-through entity report the amount that was withheld?

Transfer the amounts that you reported on lines 1 and 2 above to Form CLT-4S or PR-1, Schedule V. Send Form PT-WH to your owners. We do not require you to submit Form PT-WH to us with your information return.