



MONTANA 2005

Corporation License Tax Booklet Form CLT- 4

Dear Montana Business Taxpayer:

Your Montana Department of Revenue is committed to providing the best possible tax services to the citizens and businesses of our great state. We promise to do the best we can

- to provide you with the most accurate and timely assistance to help your business file its tax returns, and
- to ensure that all citizens and businesses pay their fair share of Montana taxes—no more and no less.

By paying taxes, your business supports public services that help make Montana a great place to live, work and conduct commerce. Quality education at all levels, modern infrastructure, community health and safety, public order and a system of commercial law that guarantees trust in the marketplace are just some of the goals that business tax dollars help achieve.

We recognize that businesses like yours help make Montana a great state not simply through the taxes they generate, but through their support for a wide range of community projects and services. Businesses of all sizes and types contribute greatly to the life of our state.

Finally, we continue to work for you. Please let us know how we are doing—so that we can do an even better job for you. You may contact the Department of Revenue by e-mail with any questions, requests, comments or suggestions at jpurcell@mt.gov. In addition you may download our forms and instructions at www.mt.gov/revenue or call our Customer Service Center at (406) 444-6900.

Thank you for helping make our tax system work for all Montanans and for all the businesses that participate in our economy!

Best regards,

Dan Bucks
Director, Montana Department of Revenue

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Fiscal Year Filers - Please Note:

These are your corporation license tax forms for your fiscal year beginning in 2005. Retain this booklet for your 2005 filing purposes.

Corporation License Tax - Descriptions of Forms Available

CLT-4.....	Montana Corporation License Tax Return
CLT-4S.....	Montana Small Business Corporation Information Return
CLT-4-UT.....	Underpayment of Estimated Tax
Schedule M.....	Affiliated Entities
Schedule WE.....	Water's Edge Schedule
Form CT.....	Scannable Payment Coupon
DCAC.....	Montana Dependent Care Assistance Credit
CC.....	Montana College Contribution Credit
HI.....	Health Insurance for Uninsured Montanan's Credit (Employer)
RCYL.....	Montana Recycling Credit/Deduction
AEPC.....	Alternative Energy Production Credit
ATL.....	Assumption of Tax Liability
AFCR.....	Alternative Fuel Credit
RSCH.....	Credit for Increasing Research Activities
MINE-CERT.....	Application and Approval for Mineral Exploration Incentive Credit
MINE-CRED.....	Mineral Exploration Incentive Credit
Form QEC.....	Qualified Endowment Credit
NEW FPC.....	Film Production Credit
NEW BBSC.....	Biodiesel Blending and Storage Credit
NEW OSC.....	Oilseed Crushing and Biodiesel Production Credit
INA-CT.....	Affidavit of Corporate Inactivity
RDF.....	Application to be Considered a Research and Development Firm
CRT.....	Tax Certificate Request

All corporation license tax forms listed above can be received by calling our Forms Distribution Center at (406) 444-6900, by e-mailing your request to jpurcell@mt.gov, by downloading the forms from www.mt.gov/revenue, or by sending your request to Montana Department of Revenue, P.O. Box 8021, Helena, Montana 59604-8021.

Helpful Tips for Filing Your Tax Return

- NEW** • If you attach a payment, please include either the coupon provided in this booklet or go to our website to get a Payment Form. You can also go to our website to register for Business Tax Express, which allows you to pay on-line.
- NEW** • To prevent us from needing to send your return back to you, be sure to answer all questions on pages 1 and 2 of the return and have an officer sign and date the return.
- Include a copy of your federal Form 1120. If you are a subsidiary of another corporation, you will also need to attach a copy of the federal Form 1120 prepared for the ultimate parent corporation of your group.

Important Numbers

Assistance and Help Line.....	(406) 444-6900
Forms Request.....	(406) 444-6900
Fax	(406) 444-2900

These are not toll free numbers



Electronic Payments for Corporation License Tax (C-Corp)

Business Tax Express is an online application that allows C-Corps to make estimated, current year, amended or tentative payments electronically. Business Tax Express is user friendly, secure and free. The application is available 24 hours a day, 7 days a week for your convenience.

If you currently are using Business Tax Express to pay withholding tax, we can expand your account so you can submit corporation license tax payments electronically. If you are new to Business Tax Express, please go to our website at www.mt.gov/revenue and click on the Business Tax Express icon to register.

Business Tax Express options include:

- Two years of online payment history
- Payment warehousing
- Capability to add additional accounts under one transmitter number
- Timely customer support

If you have any questions or would like help with Business Tax Express, call (406) 444-6900.

Instructions for Filing

Montana Corporation License Tax Return - Form CLT-4

Who Has to File a Montana Corporation License Tax Return?

Every corporation engaged in business in the State of Montana—unless expressly exempted under 15-31-102(1), Montana Code Annotated (MCA)—has to file an annual Montana Corporation License Tax Return. The term “corporation” includes associations, joint stock companies, common law trusts and business trusts which do business in an organized capacity, whether or not under and pursuant to state laws, agreements or declarations of trust.

A tax of six and three-quarters percent (6.75%) needs to be paid on the total net income that you received in the preceding fiscal or calendar year from all sources within Montana. Corporations that have a valid water's edge election need to pay seven percent (7%) of the total net income that they received in Montana. If your corporation has sustained a net loss, you will need to file a Montana Corporation License Tax Return. The minimum tax that a corporation has to pay is \$50. For a combined return, the minimum tax applies to each corporation with Montana activity.

When Does a Corporation Need to File?

The due date for calendar year taxpayers is on or before May 15. The due date for fiscal year taxpayers is the fifteenth day of the fifth month after the close of

the taxable year. Interest of 12% per year, calculated daily, accrues on any tax liability that you have not paid by the original due date of your tax return.

A corporation is allowed an automatic extension to file its return of up to six months following the prescribed filing date. 15-31-111(3)(a), MCA. We do not require you to apply for this extension.

Where Should a Corporation File?

Please mail your returns to: Montana Department of Revenue, P.O. Box 8021, Helena, Montana 59604-8021

Part I – Filing Method

Check the box that indicates the filing method that you select. We require combined filings for all members of a “unitary” group. A business is unitary when the operations of that business within the state depend on or contribute to the operations of that business outside the state. Your corporation has to qualify in order to file under methods other than a combined method. We expect you to use the same filing method consistently from year to year.

- Separate Company – Check this filing method:
 - If your corporation has no parent or subsidiaries, or
 - If your corporation is a part of a combined federal

consolidated group but is filing a separate, proforma return for Montana purposes (non-unitary with the other members of the federal consolidated group.) Note: If you attach a proforma federal Form 1120 to your Montana return, you also have to send a copy of the federal Form 1120 prepared for your ultimate parent corporation.

- b. **Separate Accounting** – Check this filing method if your corporation’s business operations in Montana are not unitary with your corporation’s business operations outside of Montana. All of your corporation’s income and expenses that are attributed to business operations within Montana have to be able to be separated from the total income and expenses of your corporation. You will also have to attach a detailed description of your Montana activity.
- c. **Worldwide Combination** – Check this filing method if your corporation has a unitary relationship with its domestic and foreign subsidiaries.
- d. **Domestic Combination** – Check this filing method if your corporation has a unitary relationship with its domestic subsidiaries, and does not have 50% or greater ownership of a foreign subsidiary.
- e. **Limited Combination** – Check this filing method if your corporation has excluded one or more of its subsidiaries from its combined unitary group. Include on your Schedule M all those subsidiaries (foreign and domestic) that are not included in this unitary group.
- f. **Water’s Edge** – You can use this method of filing only if your corporation has made a valid water’s edge election with the State of Montana. Multinational, unitary corporations that wish to file under the water’s edge method will have to file a written election within the first 90 days of the tax period for which that election is to become effective. This election has to be approved by our department and it is binding for three consecutive taxable periods. If your corporation wishes to extend this election, it will have to file a new election within the first 90 days of the tax period for which the extension to this election is to become effective.

For tax periods that begin after December 31, 2003, corporations that make a valid water’s edge election have to include in their water’s

edge group all of that group’s subsidiaries that are incorporated in countries set forth under the provisions of 15-31-322(1)(f), MCA.

Those corporations filing under a valid water’s edge election must submit Schedule WE with their Montana CLT-4.

- g. Exempt from tax under provisions of Public Law 86-272 – please see Administrative Rules of Montana 42-26-501 for guidance about whether your corporation can file under this method.

Combined Returns for Multi-state Corporations

If your corporation engages in a particular trade or business with one or more “unitary” corporations while it owns more than 50% in one of these corporations, you will have to file a “combined” return in which you apportion the entire business income from such trade or business in keeping with 15-31-305 through 15-31-311, MCA.

Part II – Amended Return

Use this form to amend your original return. Indicate at the top of the form that this represents an amended filing and check the box that indicates the reason(s) why you are amending your return. Please attach the applicable forms and statements that can explain in detail all of your adjustments. Complete the entire form using the corrected amounts.

- We do not have to pay interest on a refund that results from a net operating loss carry-back or carry-forward. 15-31-119(9), MCA.
- We do not have to pay interest if we refund your overpayment within six months from the date that your return is due or from the date that you filed originally, whichever is later.
- We compute interest on overpayments of tax or additional tax due at the rate of 12% per year.
- Statute of Limitations. For years beginning on or after March 13, 1997, we can allow a refund or credit for any return that you file within three years of its due date without regard to an extension of time to file. 15-31-509(2), MCA.
- NEW** • If we receive your return after July 31, 2005, we will adjust your late payment penalty based on the corrected amount of tax due that results from your amended return. Any late payment penalty will not exceed 18% of your tax due. We calculate interest from the time that your original return was due until the time that you make your payment. 15-1-216(1)(c), MCA.

Part III - General Questions (a-l)

Check the appropriate box. You will need to answer all of the questions. If you answer "yes" to any of the questions (i-l) you will have to complete Schedule M. Obtain Schedule M at our website, www.mt.gov/revenue.

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Part IV - Reporting of Special Transactions

Check the appropriate box. You will need to answer all of the questions. If you answer yes, you will have to attach a copy of the applicable form.

Declaration - If you do not answer any of the questions in parts I through IV, we will return your tax form to you so that you can complete it.

Montana Taxable Income

Line 1 - Taxable Income. The taxable income that you reported on line 28 of your federal return (Form 1120) has to be entered on line 1 of your Montana return (Form CLT-4). You have to attach to your CLT-4 a complete copy of the signed Form 1120 that you filed with the Internal Revenue Service. If your Form 1120 is voluminous, please attach pages 1 through 4, along with the schedules that you used to compute your income and deductions and the supporting federal schedules for each of the following items, if applicable:

- Line 2 - Cost of Goods Sold/and or Operations
- Line 8 - Net Capital Gains (Schedule D)
- Line 9 - Ordinary Gains/(Loss) (Form 4797)
- Line 10 - Other Income
- Line 17 - Taxes
- Line 26 - Other Deductions
- Form 1120-FSC - U.S. Income Tax Return of a Foreign Sales Corporation
- Form 8873 - Extraterritorial Income Exclusion
- Schedule M-3

Line 2 - Montana Additions. (a)(b) The Montana corporation license tax and other state, local, and foreign income taxes have to be added back to your income. 15-31-114(1)(e), MCA. Please attach a breakdown of your federal Form 1120 line 17 taxes when these taxes should be added back on line 2a or 2b.

(c) Municipal bond interest is taxable and should be added to your income on line 2c. 15-31-113(1)(a)(i), MCA.

(d) If you claim the qualified endowment credit on your return, the amount of contribution that you used to compute your credit should be included in

the amount of income that you included on line 2d. 15-31-161, MCA.

(e) We require corporations that are engaged in a unitary relationship with an international group to make a worldwide combined filing. Enter any income or loss from all foreign subsidiaries that are included in the worldwide combined group. Please attach supporting schedules or your federal Form 5471.

(f) Unitary filers should enter the income or loss from unitary subsidiary corporations that are not included in their federal consolidated group. For example, subsidiary corporations in which any member of that unitary group owns more than 50% of that corporation. Attach a copy of the federal Form 1120 and supporting schedules for the separately filed corporation(s).

(g) We do not allow the federal extraterritorial income exclusion for Montana tax purposes. Consequently your federal deduction for extraterritorial income has to be added back when you compute your Montana taxable income. Please attach federal Form 8873, Extraterritorial Income Exclusion and federal Schedule N, Foreign Operations of U.S. Corporations.

(h) Enter the amount from line 11 of your Schedule WE. Schedule WE is available on our website.

(i) We do not allow the federal capital loss carry-over as part of your allowable deduction for Montana corporation license tax purposes. Any amount of federal capital loss carry-over that you used on your federal return has to be added back when you compute your Montana taxable income.

(j) You will have to attach to your CLT-4 a detailed breakdown of any other additions to your income and you need to report it on line 2j.

Examples of other additions:

NEW

- Film production credit - If you claim a film production credit, you have to include the amount of the expenditures that you used to compute this credit in your income for the year you incurred this expenditure.
- Foreign income - If you owned a foreign sales corporation, you have to include the total net income that you reported on your federal Form 1120-FSC in your calculation of Montana taxable income.

Line 3 - Montana Reductions. (a) Montana allows a deduction for Section 243 dividends at the same percentage as the federal deduction. This deduction should be reported on line 3a.

(b) Non-business Income - (for multi-state taxpayers only) Business income means income arising from

transactions and activity in the regular course of your trade or business. It includes income from tangible and intangible property if the acquisition, management, and disposition of that property constitute integral parts of your trade or business operations. We assume that gains or losses from the sale of capital or business assets, dividends, interest, rents, or royalties are business income unless they can be clearly classified as non-business income. You will have to attach to your return a statement or schedule that describes the type of income and which explains in detail why you consider that income to be non-business. You should report all non-business income on line 3b.

(c) You can take an additional 10% deduction for the purchase of recycled material, as computed on Form RCYL. You will have to attach a copy of Form RCYL to your return. 15-32-610 MCA.

(d) Multi-state corporations should enter the income or loss of all of its non-unitary corporations that are included in the federal consolidated group.

(e) You have to deduct capital losses in the year that you incurred those losses. 15-31-114(1)(b) MCA. Enter the amount of capital loss that you incurred during the tax period. Please attach your federal Schedule D.

(f) Report on line 3f any other deductions that are allowable as you computed your Montana taxable income. Please attach a detailed schedule to your return.

Examples are:

- The amount of contributions made by a small business to its independent liability fund. 33-27-117(1), MCA.
- A portion of an investment made in a building for the purpose of conserving energy. 15-32-103, MCA. To qualify, the building has to be used in the corporation's business and the result of the investment has to show a substantial reduction in the amount of energy needed to render the building usable.
- Documented expenses for the donation of mineral exploration information to the Montana Tech Foundation. 15-32-510, MCA.

Line 4 - Adjusted Taxable Income. Add lines 1 and 2, then subtract line 3; enter total on line 4.

Line 5 - Income Apportioned to Montana. Multi-state taxpayers should multiply the amount reported on line 4 by the apportionment

percentage from Schedule K. Enter the result on line 5.

Line 6 - Income Allocated Directly to Montana. Multi-state taxpayers should report on line 6 any income that is allocable to Montana.

Line 7 - Montana Taxable Income before Net Operating Loss. Add lines 5 and 6 and enter the result on line 7 - or enter the amount shown on line 4. If you incurred a net operating loss, enter a negative amount. This loss first has to be carried back to the three preceding taxable periods prior to the year of loss. 15-31-119, MCA.

If you elect to forego the entire carry-back period, you should check the box on this line. But keep in mind that once you make this election to forego the carry-back, that election is irrevocable for the year that you make it. If you report a net loss on line 7 and do not check either box, that loss has to be carried back.

Line 8 - Montana Net Operating Loss Carry-over. If line 7 is a positive amount, the loss that you claim on line 8 cannot exceed the amount of income that you reported on line 7. If line 7 is a negative amount, enter \$0 on line 8. If you have sustained a Montana net operating loss in a preceding year, you can apply the remaining loss against the income that you reported on line 7. You can carry forward any net operating loss that you incurred for seven taxable periods following the year of that loss. If you claim a Montana net operating loss deduction on line 8, you will have to attach a detailed schedule of your net operating loss carry-over.

Line 9 - Montana Taxable Income. Subtract any loss reported on line 8 from line 7 and enter the Montana taxable income on line 9.

Tax Due

Line 10 - Montana Tax Liability. Multiply line 9 by 6.75% (7% for corporations filing under a valid water's edge election) and enter the total on line 10. Your Montana tax liability cannot be less than \$50 (15-31-121(3), MCA), with the exception of the alternative tax.

Alternative Tax

If your only activities in Montana consist of sales and they do not include owning or renting real or tangible personal property and if the dollar volume of gross sales that you made during the tax year within Montana does not exceed \$100,000, you can elect to pay a tax of one-half of one percent

(1/2%) on the gross volume of sales that you made in Montana in lieu of paying the corporation license tax that is based on your net income. If you elect to pay the alternative tax, please check the box and enter your calculated tax liability on line 10. If you file a combined return, the minimum tax applies to each corporation that has Montana activity.

Line 11 - Payments.

(a) 2004 overpayment - If you made an overpayment of your 2004 tax that has not been refunded previously, you can claim it as a credit on line 11a.

b) Tentative payment - You can elect to make a tentative payment of tax by attaching a remittance to the Montana Corporation License Tax Payment Coupon, inserted in this booklet. Please make your check payable to the Montana Department of Revenue. Be sure to reference your federal employer identification number (FEIN) on your check. If you have made a tentative payment, enter the amount on line 11b.

(c) Quarterly estimated tax payments - If you made quarterly estimated payments during 2005, enter the total of those payments on line 11c.

(d) Other payments - Please include any payment that you did not report above. Enter a description of the type of payments included on this line.

(e) Refunds previously issued - If you received a refund when you filed your original return or a previous amended return, include the amount of the refund on line 11(e). Enter on this line a description of the type of payments that you included.

Add the payments reported on lines 11a through 11e and enter the total payments on line 11.

Line 12 - Credits. To claim any credit on the CLT-4, you will need to attach a completed copy of Schedule C and the prescribed forms and/or detailed schedules for the credits that you claim. Please see the instructions for Schedule C on pages 4 through 6 of this booklet.

Line 13 - Tax Due. Enter the total of lines 10 through 12. Your tax is due by the fifteenth day of the fifth month following the close of the taxable year. If you choose the automatic extension of up to six (6) months, the tax plus any applicable penalty and interest is due when you file your return.

Line 14 - Interest. - When you do not pay your tax by the original date that it is due, interest on the tax due accumulates at the rate of twelve percent (12%) per year until the tax is paid.

NEW Any interest accrued after July 31, 2005 will be calculated at 12% per year, calculated daily on the unpaid tax. Your taxes are due by the fifteenth day of the fifth month following the close of the taxable year.

Line 15 - Estimated Tax Underpayment Interest Penalty. If your tax liability is \$5,000 or greater, you have to make quarterly estimated payments. 15-31-502, MCA. A 12% per year interest penalty will have to be charged on any underpayment. 15-31-510, MCA.

Compute the estimated tax underpayment interest penalty, if applicable, on Form CLT-4-UT and attach a completed copy to your return. Enter the amount of interest penalty on line 15. If you use the annualized/seasonal method to compute the penalty, you will have to attach a copy of the federal Form 2220 that you filed with your federal return.

Line 16 - Penalty. (a) Late filing penalty - If you do not file your return with the department by the due date (including any extension of time), we will have to charge a late filing penalty of \$50 or the amount of the tax that was due as of the original due date, whichever is smaller. If you have made an overpayment of your tax, no late filing penalty will be charged.

NEW (b) Late payment penalty - If we do not receive your payment by the original date that it is due, we will have to charge a late payment penalty of 1.5% per month or fraction of a calendar month on any unpaid tax. This penalty cannot exceed 18% of your tax due. It is calculated from the original due date of your return. For amended filers, see instructions for Part II. Please note that the automatic six-month extension to file is not an extension to pay.

Line 17 - Total Due or Overpayment. Add any applicable interest or penalties that you reported on lines 14, 15 and/or 16 to the liability that you reported on line 13. Enter your total due/overpayment on line 17.

Pay the amount due in full by attaching your remittance, payable to the Montana Department

of Revenue and include the completed Montana Corporation License Tax Payment Coupon that is inserted in this booklet. Submit your payment and coupon with your return to the address listed on page 3 of Form CLT-4. An overpayment can be applied to next year's liability or refunded.

Line 18 - Overpayment Credited to 2006 Estimated Tax. Indicate the amount, if any, of the overpayment that you wish to be applied to your 2006 estimated tax on line 18.

Line 19 - Net Amount Due. Enter your total tax due or the refund that you request on line 19. You can visit our website to enroll in Business Tax Express, a service that allows your company to pay corporation license tax online. For questions or to add corporation license tax to your current account, call (406) 444-6900.

NEW
Declaration - If your return is not signed by an officer of the reporting entity, or if it is not completed in its entirety, we will have to send your return back to you to be completed.

Instructions for Schedule K

Schedule K applies only to multi-state taxpayers. All multi-state taxpayers have to complete and attach the Schedule K to their Montana CLT-4.

In most cases, multi-state taxpayers have to compute their Montana taxable income by means of the apportionment factor calculated on Schedule K. The apportionment factor is the standard UDITPA (Uniform Division of Income for Tax Purposes Act) three-factor formula of property, payroll, and sales used by most states with a corporate tax based on net income.

When a corporation is engaged in a unitary business within and without the State of Montana, the net income assignable to Montana has to be determined using the apportionment factor. A business is unitary when the operations of that business within the state depend on or contribute to the operations of that business outside the state. Schedule K has to be completed fully by every corporation that carries on a unitary business within and without the state. If you have determined the income that you attribute to Montana on some basis other than the apportionment method, you will need to include a full and detailed description of your

business operation along with an explanation of the method that you proposed. Even though you can use an alternative method of determining your Montana taxable income, you will still need to complete and submit Schedule K.

Following is a detailed explanation of how to calculate the apportionment factor. To calculate each of the factors, use the following formula: Column B divided by column A, times 100. Round out to the fourth decimal (Example: 25.5555%)

Property Factor (Line 1, Schedule K) - 15-31-306, MCA . The property factor is a fraction. The numerator is the average value of the taxpayer's real and tangible personal property owned, leased or rented and used in Montana in the production of business income during the tax period. Enter the numerator values in column B of Schedule K. The denominator is the average value of all the taxpayer's real and tangible personal property owned, leased or rented and used in the production of business income during the tax period. Enter the denominator values in column A of Schedule K.

Property owned by the taxpayer is valued at its original cost. Real and tangible personal property that is used in that business includes land, building, machinery, equipment, stocks of goods, inventories, and other tangible property actually used in connection with the production of the business income to be apportioned. It does not include money, accounts receivable, or other intangible property, real property that is held for investment or non-business purposes or idle property of any nature.

To the extent that it is utilized in Montana, migratory property has to be included in the numerator.

Unless we otherwise require it, the average value of owned property has to be determined by averaging the values at the beginning and ending of the tax period.

All property that you rent has to be valued at eight times the net annual rental rate. Rental expense cannot be averaged. You have to use your rental expense for the current year in this property factor.

Payroll Factor (Line 2, Schedule K) - 15-31-308, MCA. The payroll factor is a fraction. The numerator is the total amount that you paid for compensation attributable to the production of business income during the tax period in Montana. Enter the numerator values in column B of Schedule K. The denominator is the total amount that you paid for compensation attributable to the production of business income during the tax period. Enter the denominator values in column A of Schedule K.

Payroll is considered to be paid in Montana if:

- the base of operations is in Montana.
- there is no base of operations and the place from which the service is directed or controlled is in Montana.
- the base of operations or the place from which the service is directed or controlled is not in a state where some part of the service is performed but the person who provides the service is located in Montana.

Sales Factor (Line 3, Schedule K) - 15-31-310, MCA. Sales means all gross receipts of the taxpayer exclusive of nonbusiness income and inter-company transactions. The sales factor is a fraction. The numerator is the taxpayer's total sales in Montana during the tax period. Enter the numerator values in column B of Schedule K. The denominator is the taxpayer's total sales everywhere during the tax period. Enter the denominator values in column A of Schedule K.

Sales of tangible personal property are in the state if:

- the property is delivered or shipped to a purchaser, other than the United States Government; or
- the taxpayer is not taxable in the state of the purchaser.

Sales other than sales of tangible personal property are in the state if:

- the income-producing activity is performed in this state; or
- the income-producing activity is performed both in and outside this state and a greater proportion of the income-producing activity is performed in this state than in any other state, based on costs of performance.

Sum of Factors (Line 4, Schedule K) - Add lines 1, 2 and 3 in column C. Enter the result on line 4 in column C.

Apportionment Factor (Line 5, Schedule K) - Divide line 4 by the number of factors present. A factor is

present if you have a value in column A for property, payroll, or sales. Enter the apportionment factor on line 5 of Schedule K and also insert it on line 5, page 3 of Form CLT-4, rounding it out to the fourth decimal (Example: 25.5555%).

Instructions for Schedule C

You have to attach a completed copy of Schedule C and the required corporation tax forms or schedules to your CLT-4 in order to offset any tax liability by these credits.

Calculate the total credit available for each line. Enter amounts in column A of Schedule C. Complete column B of Schedule C. This is the amount of the credit you can use for the current tax period.

Line 1 - Montana Capital Company Credit. A credit is available to corporations that invested in a qualified Montana capital company within four years of July 1, 1987, or in a qualified Montana small business investment capital company within four years of July 1, 1991. A credit qualified under 90-8-202(3), MCA, can be carried forward for 15 years.

Line 2 - New/Expanded Industry Credit. (In order to qualify for this you will have to include a detailed schedule) A manufacturing company that begins or expands operations and increases its total full-time employment by at least 30% is eligible for this credit. The amount of this credit is 1% of the total wages, as defined in 39-51-201, MCA, paid to new employees. This credit is available during each of the first three years after that company initiates or expands its manufacturing operation. This credit is limited to the year in which it is earned. Please note that it cannot be carried back or carried over.

Line 3 - Interest Differential Credit. (In order to qualify for this you will have to include a detailed schedule). A public utility or financial institution that has lent money to be used for energy conservation purposes, prior to July 1, 1995, can claim a credit for the difference between the interest it actually receives and the interest it would have received at the prevailing rate for home improvement loans. 15-32-107, MCA. The credit that a utility can claim cannot exceed \$750,000 per year and the credit that a financial institution can claim cannot exceed \$2,000 per year.

Line 4 - Montana Dependent Care Assistance Credit (Form DCAC). An employer can claim a credit for amounts that it paid or incurred for dependent care assistance that it provided to

employees. 15-31-131 and 15-31-133, MCA. This assistance can be in the form of:

- Acquiring, constructing, reconstructing, renovating, or improving real property for the primary use as a day-care facility. This credit is the smaller of:
 - \$2,500 times the number of dependents that the day-care facility is designed to accommodate;
 - 15% of acquisition, construction, reconstruction, renovation, or other improvement cost; or
 - \$50,000.
- Providing dependent care assistance to employees that meet the requirements of Internal Revenue Code 26 U.S.C.129(d)(2) through (d)(6). The credit is 25% of the amount paid or incurred by the employer during the taxable year with a limit of \$1,575 per employee.
- Providing information and referral services to assist employees within the state in obtaining dependent care. The credit is 25% of the amount paid or incurred by the employer during the taxable year.

Line 5 - Montana College Contribution Credit (Form CC). Taxpayers who make charitable contributions to any general endowment funds of the Montana University System or to any general endowment fund of a Montana private college or its foundation during the year are allowed a credit in the amount of 10% of the aggregate of these contributions. 15-30-163, MCA. The maximum amount of credit that can be claimed is \$500 per year with no provision for carry-back or carry-over.

Line 6 - Health Insurance for Uninsured Montanans Credit (Form HI). Employers can claim a credit for the health insurance premiums that are paid by that employer for its employees. 15-31-132, MCA. The credit can be up to \$25 a month for each employee. The maximum credit that can be claimed each year is \$3,000 with no provisions for carry-back or carry-over.

Line 7 - Montana Recycle Credit/Deduction (Form RCYL). Employers can claim a credit for their investments in equipment or machinery used to collect, process or manufacture a product from reclaimed material or depreciable property that treats soil contaminated by hazardous wastes. 15-32-602, MCA; 15-32-603, MCA. This credit is a percentage (5% to 25%) of the cost of the property used in Montana, before consideration of trade-in equipment. An exception to this is that the basis will be reduced by any trade-in for which this credit has previously been taken. The credit is limited to the current year tax liability with no provisions for carry-back or carry-over.

Line 8 - Alternative Energy Production Credit (Form AEPC). A credit is available to alternative

energy producers. 15-32-402, MCA. The credit is 35% of the eligible costs associated with the purchase, installation, or upgrading of generating equipment, safety devices and storage equipment, transmission lines necessary to connect with existing transmission facilities, and transmission lines necessary to connect directly to the purchaser of the electricity when no other transmission facilities are available. The credit must first be claimed in the year in which the asset was placed in service; any excess credit may be carried over seven years. Taxpayers who meet criteria established in 15-32-404, MCA, may carry-over the credit for 15 years.

Line 9 - Contractor's Gross Receipts Tax Credit. A company that has paid public contractor's gross receipts tax under 15-50-207, MCA can be entitled to a credit for a taxable year within which the net income from contracts subject to the gross receipts tax is reported.

After the corporation has deducted its personal property taxes, it can apply the remaining credit, if any, to its corporation license tax liability.

NEW Any excess credit can be carried forward to the next succeeding tax year for up to five years.

To support the credit that you claim, you will have to attach a schedule or statement including the contract name (and number, if any); location; general description (for example: building, road, bridge, etc.); name of awarding agency; name of prime contractor and the amount of gross receipts tax paid, as well as the amount that has been applied to personal property taxes. If you report your income from contracts on a percentage of completion basis, this credit has to be allocated proportionately.

Line 10 - Alternative Fuel Credit (Form AF CR). 15-30-164, MCA. (In order to qualify for this credit you will need to include a detailed schedule) You can be allowed a credit for equipment and labor costs that you incur in order to convert a motor vehicle licensed in Montana to operate on alternative fuel. The maximum credit is equal to 50% of the equipment and labor costs incurred but cannot exceed: \$500 for conversion of a motor vehicle with a gross weight of 10,000 pounds or less; \$1,000 for conversion of a motor vehicle with a gross vehicle weight over 10,000 pounds. You have to apply this credit in the year

in which the conversion was made. It cannot be carried back or carried over.

Line 11 - Infrastructure Users Fee Credit. You can claim a credit for the infrastructure users fee paid to a local government. To claim this credit in 17-6-316, MCA you have to meet the criteria set forth in 17-6-309(2), MCA, and pay the infrastructure users fee. This form has to be certified by the county, verifying the amount of the infrastructure users fee paid and the timeliness of your payment. This credit can be carried forward for seven years or carried back for three years.

Line 12 - Qualified Endowment Credit (Form QEC). 15-31-161, MCA. Your corporation is allowed a credit for gifts to a qualified charitable endowment against its corporation license tax. This credit cannot exceed your tax liability. It is non-refundable and can not be carried back or carried forward. The value of the gift that you used when you calculated your credit cannot be claimed as a deduction under 15-31-114, MCA.

Planned Gifts		
Planned Gift Date	% of Present Value	Max. Credit
1-1-97 through 12-31-01	50%	\$10,000
1-1-02 through 8-27-02	40%	\$10,000
8-28-02 through 6-30-03	30%	\$ 6,600
7-1-03 through 12-31-07	40%	\$10,000
Qualified Outright Charitable Gifts		
Qualified Charitable Gift Date	% of Charitable Gift	Max. Credit
1-1-97 through 12-31-01	50%	\$10,000
1-1-02 through 8-27-02	20%	\$10,000
8-28-02 through 6-30-03	13.3%	\$ 6,600
7-1-03 through 12-31-07	20%	\$10,000

If you file on an accrual basis, the credit that you claim has to be taken in the year that you reported it for federal tax purposes. The appropriate percentage that you used when you calculated your credit has to be determined by the actual date that your gift was made.

Attach Form QEC and your verification requirements for any planned gift or outright charitable gift made to a qualified endowment. See instructions on Form QEC for verification requirements. To learn more about the endowments state-wide visit the Governor's Task Force on Endowed Philanthropy website at www.endowmontana.org.

NEW If a charitable gift is recovered in the current year, the amount of tax due has to be increased by the amount of credit allowed in the year that the credit was taken. Enter the amount of credit recaptured on line 12(a).

Line 13 - Historical Buildings Preservation Credit. 15-31-151, MCA. (In order to qualify for this credit you will have to attach federal Form 3568). You can claim a credit for expenditures that you made in relation to the preservation of certain historic buildings located in Montana. Qualifying historic buildings are those structures defined in Section 47 (c) of the Internal Revenue Code. The allowable Montana credit is 25% of the federal rehabilitation credit provided for in Section 47 (a) (2) of the IRC.

This credit is a nonrefundable credit. Any unused credit can be carried forward for up to seven years succeeding the year in which the credit is generated.

Line 14 - Increase Research and Development Activities Credit (Form RSCH). A credit is available to you for increases in qualified research expenses and basic research payments for research that is conducted in Montana. 15-31-150, MCA. The credit is determined in accordance with section 41 of the IRC, 26 U.S.C. 41, with the exception that the applicable rate is 5% for Montana purposes. You will have to attach to your return a completed copy of the form provided by us.

Any unused credit cannot be refunded, but may be carried back two years and carried forward 15 years.

Line 15 - Mineral Exploration Incentive Credit (Form MINE-CRED). You can claim a credit for certified expenditures of mining exploration activities (15-32-502, MCA), not to exceed 50% of the corporation tax liability. Certified expenditures are the costs that you incur for activities that directly support the exploration activity conducted at a specific exploration site. This credit applies to activities associated with both new mines and mines that are being reopened. You will have to attach a completed copy of the Form MINE-CERT to your return.

Line 16 - Developmental Disability Account Contribution Credit. An individual, corporation, partnership or small business corporation is allowed a credit equal to 30% of the amount donated during the year to the Montana Developmental Disability Service Account under 15-30-187, MCA. The maximum credit that you can claim is \$10,000 and cannot

exceed your tax liability. If you elect to apply the donation to this credit you are not allowed to deduct the donation elsewhere on your return. There is no carry-over provision allowed and the credit must be applied in the year the donation is made.

Line 17 - Empowerment Zone Credit. For tax periods beginning on or after October 1, 2003, an employer is allowed a credit for each new employee at a business in an empowerment zone under 15-31-134, MCA. To be eligible for this credit you have to be certified by the Montana Department of Labor and Industry. The credit can be carried forward seven years and carried back three years.

NEW

Line 18 - Film Production Credit. (You have to make an application and your fee has to be paid by the time you file your return) You can claim a credit for the employment of residents of this state or for qualified expenditures in this state in connection with a state-certified production in Montana. The expenditures that you use to calculate this credit cannot be taken as deductions that you used to calculate Montana taxable income. You can elect

to have the credit refunded or you can carry the credit forward for three years.

NEW

Line 19 - Biodiesel Blending and Storage Credit. A credit can be claimed by a qualified taxpayer for the cost of installing depreciable storage and blending equipment used to blend biodiesel made from Montana products with petroleum diesel. The credit may not be carried over to other tax years. If the facility for which the credit is claimed ceases operations within five years of claiming the credit, the credit is subject to recapture.

NEW

Line 20 - Oilseed Crushing and Biodiesel Production Credit. Effective July 1, 2005, you can claim a credit for the cost of investments in qualifying depreciable property used to crush oilseed crops for the purpose of making biodiesel fuel, or used in constructing or equipping a facility in Montana to be used for biodiesel production. This credit cannot be carried over to other tax years. If the facility for which the credit is claimed ceases operations within five years of receiving the credit, the credit is subject to recapture.



2005 Corporation License Tax Return

C
MONTANA
Form CLT-4
Rev. 9-05

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

- Check if applicable:
- Initial Return
 - Final Return
 - Amended Return

Corporation Name		
Address		If new address check here <input type="checkbox"/>
City	State	Zip + 4

FEIN _____
 Federal Business Code _____
 Incorporated in State of _____
 Date _____
 Date Qualified in Montana _____

Check this box if you do not need these Montana corporation license tax return and instructions sent to you next year

Copy of signed Federal Form 1120 as filed with the Internal Revenue Service has to be attached

Part I - Filing Method - Check applicable filing method (see instructions)

- a. Separate Company..... a.
- b. Separate Accounting..... b.
- c. Worldwide Combination..... c.
- d. Domestic Combination..... d.
- e. Limited Combination..... e.
- f. Water's Edge (must have a valid election and Schedule WE must be attached)..... f.
- g. Exempt from tax under provisions of Public Law 86-272 (Schedule K must still be completed)..... g.

Part II - Amended Return Only - Check all that apply

- a. Federal Revenue Agent Report, a complete copy of this report is required..... a.
- b. NOL carryback/carryforward; year of loss _____..... b.
- c. Apportionment factor changes (attach a statement explaining all adjustments in detail)..... c.
- d. Amended federal return (Form 1120X); a complete copy of this return is required..... d.
- e. Application and/or change in tax credit; type of credit being claimed _____..... e.
- f. Other - Attach a statement explaining all adjustments in detail..... f.

Part III - General Questions - All questions have to be answered

a. Describe in detail the nature and location(s) of your Montana activities (if necessary, provide the description on an additional page)

b. Is this your corporation's first Montana return?..... Yes No
 If this corporation is a successor to your previously existing business, enter name and FEIN of your previous business: _____

c. Is this your corporation's final Montana return? Yes No
 If so, indicate whether it has been:
 Withdrawn Merged (please attach detailed statement)
 Dissolved (please attach detailed statement) Reorganized (please attach detailed statement)
 Date of withdrawal, dissolution, merger, or reorganization _____

d. For any periods, has the Internal Revenue Service issued an official notice of change or correction that you filed with the Montana Department of Revenue? If "yes," indicate the most recent taxable year for which an official notice has been issued by the Internal Revenue Service. _____ Yes No

e. Are any statute of limitation waivers currently in force that have been executed with the Internal Revenue Service?..... Yes No
 If "yes," which taxable years are covered and what are the expiration dates of the waivers? _____

f. Have you filed an amended federal return for any of the last five (5) taxable periods?
 If "yes," for which years have you filed amended Montana returns? _____ Yes No

g. Was your corporation included as a member of a consolidated group for Internal Revenue Service filing purposes?..... Yes No
 If "yes," you will need to provide support for your consolidated taxable income by attaching pages 1 through 4 of the consolidated U.S. Corporation Income Tax Return (Form 1120) that you filed with the Internal Revenue Service.
 Enter the ultimate U.S. parent's FEIN: _____
 Enter the ultimate U.S. parent's name: _____

Form CLT-4, Page 2 - **Part III - continued**

- h. Did an individual at the end of the taxable year own, directly or indirectly, 50% or more of the voting stock of this corporation?.....Name: _____ % of ownership: _____ Yes No
- i. Did a partnership, corporation, estate or trust at the end of the taxable year own, directly or indirectly, 50% or more of the voting stock of this corporation?..... Yes No
- j. If the answer to question (h) or (i) is yes, did the same individual, partnership, corporation, estate or trust at the end of the taxable year also own, directly or indirectly, 50% or more of the voting stock of another (brother-sister) corporation?..... Yes No
- k. Did this corporation or any member of the consolidated group own, directly or indirectly, 50% or more of the outstanding voting stock of a domestic corporation that is not included in the consolidated group referenced in (g) above?..... Yes No
- l. Did this corporation or any member of the consolidated group own, directly or indirectly, 50% or more of the outstanding voting stock of a controlled foreign corporation?..... Yes No

If you answered "yes" to any of the above questions (i - l), you will need to complete Schedule M.

NEW Part IV - Reporting of Special Transactions

Check "yes" if the Internal Revenue Service required you to file any of the following forms. You will need to attach to your Montana return a complete copy of any of these applicable forms.

	Transaction
<p>a. I am required to file federal Form 8264 – Application for Registration of a Tax Shelter with the Internal Revenue Service.</p> <p>The IRS requires investors to file a Form 8264 in order to register for 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>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<p>b. 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>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<p>c. I am required to file federal Form 8824 – Like-Kind Exchanges with the Internal Revenue Service.</p> <p>Check "yes" if your like-kind exchange includes Montana property.</p> <p>Form 8824 is used to report each exchange of business or investment property for property of a like-kind.</p>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<p>d. 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>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<p>e. 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>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<p>f. 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>	Yes <input type="checkbox"/> No <input type="checkbox"/>

Declaration

Under penalties of perjury, I, the undersigned officer of the corporation, declare that to the best of my knowledge and belief, this return and accompanying schedules are a true, correct, and complete return made in good faith for the income period stated above, pursuant to Montana corporation license tax law and regulations.

Signature of officer	Date
Print name	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.

Computation of Montana Taxable Income and Net Amount Due FEIN _____

1. Enter the taxable income that you reported on your federal return (line 28) (a copy of signed federal Form 1120 has to be attached).....		1.
2a. Enter your Montana corporation license tax (attach breakdown of federal Form 1120 line 17).....	2a	
2b. Enter your other state, local, foreign, and franchise taxes based on income.....	2b	
2c. Enter your federal tax exempt interest.....	2c	
2d. Enter your contributions used to compute qualified endowment credit.....	2d	
2e. Enter your income/loss of foreign subsidiaries for worldwide combined filers.....	2e	
2f. Enter your income/loss of unitary corporations not included in federal consolidated return.....	2f	
2g. Enter your extraterritorial income exclusion.....	2g	
2h. Enter your deemed dividends (Water's Edge filers only) You need to attach Schedule WE.....	2h	
2i. Enter your federal capital loss carry-over utilized on federal return.....	2i	
2j. Enter all of your other additions (you will need to provide a detailed breakdown).....	2j	
Add lines 2a through 2j and enter the result. This is the total of your additions		2.
3a. Enter your IRC Section 243 dividend received deduction.....	3a	
3b. Enter your non-business income (you will have to attach a detailed breakdown).....	3b	
3c. Enter your Montana recycling deduction (attach Form RCYL).....	3c	
3d. Enter your income/loss of nonunitary corporations included in federal consolidated return.....	3d	
3e. Enter your capital loss incurred in current year (attach federal Schedule D).....	3e	
3f. Enter all of your other reductions (a detailed breakdown has to be attached).....	3f	
Add lines 3a through 3f and enter the result. This is the total of your reductions		3.
4. Add line 1 and line 2, then subtract line 3 from that total and enter the result. This is your adjusted taxable income		4.
5. Calculate your income apportioned to Montana (multiply line 4 X _____% from Schedule K, line 5) and enter the result....		5.
6. Enter the income that you allocated directly to Montana (multi-state taxpayers have to attach a detailed breakdown).....		6.
7. Montana taxable income before net operating loss (line 5 + line 6 or enter amount reported on line 4).....		7.
If line 7 is a loss, do you wish to forego the net operating loss carry-back provision? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Note: If you have reported a loss on line 7 and have checked neither box, the loss first has to be carried back		
8. Enter your Montana net operating loss carried over to this period (a detailed schedule has to be attached).....		8.
9. Subtract line 8 from line 7 and enter the result here. This is your Montana taxable income		9.
10. Multiply line 9 by 6.75% (or line 9 by 7% if you have a valid water's edge election). This is your Montana tax liability		10.
Note: This amount cannot be less than the minimum tax liability of \$50. Also note that the minimum tax applies to each corporation having Montana activity.		
Note: Check this box if you are calculating your tax liability using the Alternative Tax method..... <input type="checkbox"/>		
11. Payments: a. Enter your 2004 overpayment.....	11a	
b. Enter your tentative payment.....	11b	
c. Enter your quarterly estimated tax payments.....	11c	
d. Enter all other payments. Describe _____	11d	
e. Enter your previously issued refunds. Describe _____	11e	()
Add lines 11a through 11e and enter the result. This is the total of your payments		11.
12. Enter total credits (from Schedule C).....		12.
13. Add line 11 and line 12, then subtract the sum from line 10 and enter result. This is your tax due or overpayment		13.
14. Enter interest on all tax paid after the due date, calculated at 12% per year, on a daily basis.....		14.
15. Enter estimated tax underpayment interest penalty (attach Form CLT-4-UT) ... <input type="checkbox"/> Check box if you are using the annualized income or adjusted seasonal income method		15.
16. Penalty: a. Enter your late filing penalty (see instructions).....	16a	
b. Enter your late payment penalty (see instructions).....	16b	
Add lines 16a through 16b and enter the result. This is your total penalty		16.
17. Add lines 13 through 16 and enter the result. This is your total due or overpayment .		
Note: Please attach your remittance payable to the Montana Department of Revenue or visit our website at www.mt.gov/revenue to pay online by Business Tax Express.....		17.
18. Enter the amount of overpayment that you want to be applied to your 2006 estimated tax.....		18.
19. Add line 17 and line 18 and enter the result. This is your net amount due		19.

Copy of signed federal Form 1120 has to be attached Mail to: Montana Department of Revenue, PO Box 8021, Helena, MT 59604-8021

Schedule K

Corporation Name	Taxable period ending	FEIN
Apportionment Factors for Multistate Taxpayers		

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

	A. Everywhere	B. Montana	C. Factor
1. Property Factor: Enter average values 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 that result by 100 and enter the result. 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 that result by 100 and enter the result. 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:			
• 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 Enter the total of lines 3a through 3k.....			
Take the total in column B and divide it by the total in column A. Multiply that result by 100 and enter the result. 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), the factor is included in the calculation (see instructions). Enter the results here and also insert in Form CLT-4, page 3, line 5. This is your apportionment factor			%

Schedule C

FEIN _____ Period End Date _____

Type of Credit	Column A Total Available	Column B Current Year Application
1. Enter Montana Capital Company Credit		
2. Enter New/Expanded Industry Credit		
3. Enter Interest Differential Credit		
4. Enter Montana Dependent Care Assistance Credit (please attach Form DCAC)		
5. Enter Montana College Contribution Credit (please attach Form CC)		
6. Enter Health Insurance for Uninsured Montanans Credit (please attach Form HI)		
7. Enter Montana Recycle Credit (please attach Form RCYL)		
8. Enter Alternative Energy Production Credit (please attach Form AEPC)		
9. Enter Contractor's Gross Receipts Tax Credit (please attach supporting schedule)		
10. Enter Alternative Fuel Credit (please attach Form AF CR)		
11. Enter Infrastructure Users Fee Credit		
12. Enter Qualified Endowment Credit (please attach Form QEC)		
NEW 12a. Enter Qualified Endowment Credit Recapture		()
13. Enter Historical Buildings Preservation Credit (please attach federal Form 3468)		
13a. Enter Historical Buildings Preservation Credit Recapture		()
14. Enter Increase Research and Development Activities Credit (please attach Form RSCH)		
15. Enter Mineral Exploration Incentive Credit (please attach Form MINE-CRED)		
16. Enter Developmental Disability Account Contribution Credit		
17. Enter Empowerment Zone Credit		
NEW 18. Enter Film Production Credit (please attach Form FPC1920.		
NEW 19. Enter Biodiesel Blending and Storage Credit (please attach Form BBSC)		
NEW 20. Enter Oilseed Crushing and Biodiesel Production Credit (please attach Form OSC)		
Add totals of lines 1 through 20 and enter the result here. This is the total of your credits.		

To receive these credits, you will have to attach this schedule C and your prescribed corporation tax forms or a detailed schedule to your CLT-4.

Send your completed Montana Corporation License Tax Return to the following address: Montana Department of Revenue, PO Box 8021, Helena, MT 59604-8021

The back of Schedule C is blank



Schedule M - Affiliated Entities

MONTANA
Schedule M
New 8-05

Complete the schedules below if your corporation has an affiliated relationship with another business entity. Please note that both schedules have to be completed if your corporation is a member of a U.S. consolidated group and has affiliated relationships with other business entities.

For members of a U.S. consolidated group - Please include your information in the following schedule for all members of your U.S. consolidated group.

Employer Identification Number	Affiliate/subsidiary/parent corporation name	Percentage of ownership	Check if included in unitary filing	Check if doing business in Montana	Check if filing Montana CLT-4

Other affiliated entities - Please include information in the following schedule for all business entities that are not included in the U.S. consolidated group; i.e. partnerships, limited liability companies, foreign subsidiaries owned greater than 50%, unconsolidated subsidiaries owned greater than 50%. Please include entities that are owned by your corporation and/or entities that are owned by all members of your U.S. consolidated group.

Employer Identification Number	Entity Name	Percentage of ownership	Check if included in unitary filing	Check if doing business in Montana	Type of entity, i.e. foreign subsidiary, unconsolidated subsidiary, partnership, LLC, LLP

Montana Department of Revenue
PO Box 8021
Helena, MT 59604-8021

PRSRT STD
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No Return