



Pass-through Entity Owner Tax Agreement

Owner Information			Pass-Through Entity Information (as shown on most recent federal return or K-1)		
Name			Name		
Mailing address			Mailing address		
City	State	Zip code	City	State	Zip code
Social Security Number or Federal Employer Identification Number _____			Social Security Number or Federal Employer Identification Number _____		
			Pass-through Entity Type: <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Disregarded Entity		

The undersigned agrees:

- if an individual, to timely file a return in accordance with the provisions of 15-30-142, MCA, and, if a corporation, to file a return in accordance with the provisions of 15-31-111, MCA;
- to timely pay all taxes imposed with respect to income of the pass-through entity; and
- to be subject to the personal jurisdiction of the state for the collection of taxes and related interest, penalties and fees imposed with respect to income of the pass-through entity.

Signature of individual owner or authorized corporation officer

Date

This agreement is effective until revoked in a writing delivered to the pass-through entity and the Department of Revenue.

Instructions

Purpose of agreement. Each nonresident owner or foreign C corporation owner of a pass-through entity that agrees to file a Montana tax return has to fill out this form. If the owner does not 1) sign this agreement or 2) does not participate in the pass-through entity's composite return, the pass-through entity has to remit amounts to the Department of Revenue on behalf of the owner as provided in 15-30-142, Montana Code Annotated. This agreement is not valid unless it is signed and dated by the owner.

A foreign C corporation is a corporation that:

- is not engaged in or doing business in Montana, and
- is not an S corporation

A copy of this tax agreement has to be attached to the pass-through entity's information return. The entity is not required to attach a new agreement each year but has to attach currently effective agreements for each new nonresident individual or foreign C corporation owner and has to retain the agreements of other owners as tax records.

Types of pass-through entities. A pass-through entity is classified in Montana by its treatment for federal income tax

purposes. Partnerships include limited liability companies that are treated as partnerships. S corporations include limited liability companies that are treated as S corporations. Disregarded entities include single-member limited liability companies whose separate existence is disregarded for federal income tax purposes, partnerships that have elected under IRC § 761 to be excluded from the partnership tax rules, qualified subchapter S subsidiaries, and qualified REIT subsidiaries.

Failure of any owner to file a return or to pay taxes. If the owner does not file a Montana tax return or timely pay all taxes, the Department of Revenue will notify the pass-through entity. Following that notice, the pass-through entity can no longer rely on the tax agreement. The entity will then be required to remit amounts on behalf of the owner to the Department of Revenue for any later tax year if that owner is not included in the entity's composite return.

Questions? Please call us toll free (866) 859-2254 (in Helena, 444-6900). ☎