



Wind Energy Producers Credit Corporation License Tax

- | | |
|---|-----------|
| 1. Eligible wind energy equipment investment | 1. _____ |
| 2. Federal wind energy credit claimed | 2. _____ |
| 3. Location of wind energy producing assets | 3. _____ |
| <hr/> | |
| 4. Montana taxable income from line 9 of your
Montana Corporation License Tax return. | 4. _____ |
| 5. Net income attributable to eligible wind energy equipment
(if the wind energy production income is from a business, a
portion of which qualifies and a portion does not, the below
allocation schedule must be used to calculate this line. | 5. _____ |
| 6. Line 4 minus line 5 | 6. _____ |
| 7. Tax calculated for line 6 @ 6 3/4% | 7. _____ |
| 8. Total tax as shown on line 10 page 1 of CLT-4 | 8. _____ |
| 9. Income tax attributable to wind production
(line 8 minus line 7) | 9. _____ |
| 10. Montana wind energy credit (Line 1 times 35%) | 10. _____ |
| 11. Limitation (Line 1 times 60%) | 11. _____ |
| 12. Federal wind energy credit from line 2 above | 12. _____ |
| 13. Line 11 minus line 12 | 13. _____ |
| 14. Allowable credit the lessor of line 9, line 10 or line 13.
Enter here and on Schedule C, Line 8 Form CLT-4. | 14. _____ |

Income Allocation Schedule

A. Total Montana	B. Montana	C. Factor (B ÷ by A = C)
1. Business Property _____	Wind Energy Property _____	_____ %
2. Business Payroll _____	Wind Energy Payroll _____	_____ %
3. Business Sales _____	Wind Energy Sales _____	_____ %
4. Sum of Factors (Lines 1,2,&3)		_____ %
5. One third of Line 4		_____ %
6. Net Income from line 9 of your Montana Corporation License Tax return		_____
7. Allocated wind energy income (Line 6 times line 5) Enter here and on line 5 of above wind energy tax credit schedule.		_____

Instructions for Wind Energy Producers Credit Form

- The purpose of the Wind Energy Producers Act is to encourage the development of the wind energy industry in Montana without adversely affecting present revenues. The credit is allow for individuals, partnerships, small business corporations and regularly corporations.
- In order to qualify the investment must be:
 - \$5,000 or more
 - depreciable under I.R.C. section 38,
 - located in Montana.
- The credit is 35% of eligible costs. The eligible costs are those that are 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 purchase of the electricity when no other transmission facilities are available.
- The credit is to be taken against taxes due as a consequence of taxable or net income produced by the following:
 - Montana manufacturing plant that produces wind energy generating equipment.
 - New business facility or expanded portion of business facility for which wind
 - energy is generated.
Wind energy generating equipment.
- In the case of a business, a portion of which qualifies for this credit and a portion of which does not qualify, taxes due from each portion must be separated by using the three-factor formula provided in section 15-31-305, MCA.
- Limitation on credit. If the taxpayer claims a Federal credit under I.R.C. section 48(1) the state credit must be reduced so that the sum of the credit Federal and State does not exceed 60% of the eligible costs. If a state credit is claimed under this act no other state energy credit or state investment tax credit may be claimed for the investment. Taxpayer cannot claim the property tax exemption for non-fossil energy property allowed under 15-6-210 (3) MCA on property for which the wind energy generation credit is claimed.
- Carryover of credits. The unused portion of the tax credit, which exceeds the tax liability generated by the asset, may be carried over up to seven years. The credit is first to be claimed in the year the asset was placed in service and the excess credit then carried forward.
- The equipment must be placed in service after December 31, 1982 in order to be eligible.