

2001 Individual Income Tax Worksheets

Attach This Form to Your Return



Worksheet VI - Itemized Deduction Worksheet

	Column A	Column B
1. Enter the amount from Form 2A, line 90a (Total itemized deductions).	1. _____	_____
2. Add the amounts on Form 2A, lines 68, 71, 72, 73d, 74, 75, 79, 81, 82 and 89	2. _____	_____
3. Subtract line 2 from line 1. (If the result is zero, enter the amount from line 1 above on Form 2, line 38.) <u>Stop Here.</u> You do not need to complete this worksheet.	3. _____	_____
4. Multiply amount on line 3 above by 80% (.80).	4. _____	_____
5. Enter the amount from Form 2, line 37.	5. _____	_____
6. Enter \$132,950 (\$66,475 if married filing separately, even if filing on the same form)	6. _____	_____
7. Subtract line 6 from line 5. (If the result is zero or less, enter the amount from line 1 above on Form 2, line 38. <u>Stop Here.</u> You do not need to complete this worksheet.)	7. _____	_____
8. Multiply line 7 by 3% (.03).	8. _____	_____
9. Compare the amounts on lines 4 and 8 above. Enter the <u>smaller</u> of the two amounts here and on Form 2A, line 90b.	9. _____	_____

Worksheet VII - Calculation of Underpayment Penalty for Failure to Make Estimated Payments

Underpayment Penalty of Estimated Tax

In 2001 you must have paid through estimated installments or a combination of withholding and estimated installments the smaller of 1) 90% of your current year's tax liability after credits, or 2) an amount equal to 100% of your previous year's total tax liability. Payments made with extensions are not considered estimated payments. If you do not meet this requirement, you may be subject to an underpayment penalty.

You may use the short method to figure your penalty only if:

- You made no estimated tax payments (or your only payments were Montana withholding); or
- You paid estimated tax in four equal amounts by the due dates.

If you cannot use the short method call the department at (406) 444-6900 to request an underpayment penalty form (EST-P).

Note: A taxpayer who derives at least 2/3 of gross income from farming or ranching is not subject to estimated tax. Montana law does not provide for a "lookback" to the previous year when determining if a taxpayer is a qualifying farmer or rancher.

Short Method

1. Enter your 2001 tax from line 53 on Form 2 or line 31 on Form 2S. (Total liability if married filing separately on the same form). _____
2. Enter 90% of line 1 above. _____
3. Enter your total withholding, amount credited from prior year's tax and Elderly Homeowner/Renter Credit from line 58 on Form 2 or line 34 on Form 2S. (If married filing separately enter the total payments). _____

4. Subtract line 3 from line 1. If the result is \$500 or less, do not complete the rest of the form. You do not owe the underpayment penalty. _____
5. Enter your 2000 tax (Line 53 of 2000 Form 2 or line 31 on 2000 Form 2S). If married filing separately enter the total tax. _____
6. Enter the smaller of line 2 or line 5. _____
7. Enter the amount from line 3 plus any estimated payments made. _____
8. Total underpayment for the year. Subtract line 7 from line 6. If zero or less, stop here. You do not owe the underpayment penalty. _____
9. Multiply line 8 by .07980 and enter the result. _____
10. If the amount on line 8 was paid on or after 4/15/2002, enter -0-. If the amount on line 8 was paid before 4/15/2002, multiply: Amount on line 8 x Number of days paid before 4/15/2002 x .0003288. _____
11. Underpayment interest penalty. Subtract line 10 from line 9. Enter the results here and on line 63 of Form 2 or line 37 of Form 2S or on line 51 of Form FID-3. **Total Due:** _____