



Schedule K-COMB
Montana Department of Revenue

MONTANA
K-COMB
 Rev. 12-06

	Everywhere Activity	Montana Separate Company Activity	
		Corporation A	Corporation B
1. Property Factor (Enter average values for real and tangible personal property)			
(1) Land			
(2) Buildings			
(3) Machinery			
(4) Equipment			
(5) Furniture & fixtures			
(6) Leased property			
(7) Inventories			
(8) Supplies and other			
(9) Property of foreign subsidiaries included in combined unitary group			
(10) Property of unconsolidated subsidiaries included in combined unitary group			
(11) Property of pass-through entities included in combined unitary group			
(12) Multiply amount of rents by 8 and enter result			
a. Total Montana average property (Add lines (1) through (12) above)			
b. Total Everywhere average property (Enter in each column the total of lines (1) - (12) in the Everywhere column.)			
c. Separate company Property Factor (Divide line 1a by line 1b and multiply the result by 100.)		%	%
d. Total Property Factor (Add columns on line 1c.)			%
2. Payroll Factor			
(1) Compensation of officers			
(2) Salaries and wages			
Payroll included in:			
(3) Costs of goods sold			
(4) Repairs			
(5) Other deductions			
(6) Payroll of foreign subsidiaries included in combined unitary group			
(7) Payroll of unconsolidated subsidiaries included in combined unitary group			
(8) Payroll of pass-through entities included in combined unitary group			
a. Total Montana payroll (Add lines (1) through (8) above)			
b. Total Everywhere payroll (Enter in each column the total of lines (1) - (8) in the Everywhere column.)			
c. Separate company Payroll Factor (Divide line 2a by line 2b and multiply the result by 100.)		%	%
d. Total Payroll Factor (Add columns on line 2c.)			%
3. Sales Factor			
(1) Gross sales, less returns and allowances			
Sales delivered or shipped to Montana purchasers:			
(2) Shipped from outside Montana			
(3) Shipped from within Montana			
Sales shipped from Montana to:			
(4) United States Government			
(5) Purchasers in a state where the taxpayer is not taxable			
(6) Sales other than sales of tangible personal property (i.e. service income)			
(7) Less: Intercompany sales	()	()	()
(8) Net gains reported on federal Schedule D and federal Form 4797			
(9) Other gross receipts (rents, royalties, interest, etc)			
(10) Sales (receipts) of foreign subsidiaries included in combined unitary group			
(11) Sales (receipts) of unconsolidated subsidiaries included in combined unitary group			
(12) Sales (receipts) of pass-through entities included in combined unitary group			
(13) Less: Other intercompany transactions	()	()	()
a. Total Montana sales (Add lines (1) through (13) above)			
b. Total Everywhere sales (Enter in each column the total of lines (1) through (13) in the Everywhere column.)			
c. Separate company Sales Factor (Divide line 3a by line 3b and multiply the result by 100.)		%	%
d. Total Sales Factor (Add columns on line 3c.)			%
4. Sum of the Factors			
(Add lines 1c, 2c, and 3c for each corporation.)		%	%
5. Apportionment Factor			
a. Separate company Apportionment Factor (See instructions.)		%	%
b. Total Apportionment Factor (Add columns on line 5a. Enter here and in line 5, page 3, of the CLT-4.)			%
6. Montana Taxable Income			
a. Montana adjusted taxable income (Enter the amount from CLT-4, page 3, line 4.)			
b. Income apportioned to Montana (In each column, multiply line 5a by line 6a.)			
c. Income directly allocated to Montana			
d. Montana taxable income before net operating loss (In each column, add lines 6b and 6c.)			
e. Montana net operating loss (NOL) carryover on a separate company basis	()	()	
Total NOL carryover (Add columns on line 6e. Enter this amount on line 8, page 3 of the CLT-4.)			()
f. Montana taxable income (Subtract line 5e from line 5d and enter result.)			
g. Total Montana Taxable Income			
(Add all columns on line 6f and enter result. This should equal line 9, page 3 of the CLT-4.)			

Schedule K –COMB Instructions

Companies with more than one corporation active in Montana need to compute their apportionment factor and Net Operating Loss (NOL) on a separate company basis.

Apportionment Detail

If your company is filing a combined return and has more than one corporation active in Montana, you will have to prepare a combined apportionment schedule. You will have to include the detail for property, payroll, and sales for the combined company as a whole as well as for each company with Montana activity.

General Instructions

For detailed instructions about what is included in the apportionment factors, please refer to the “Instructions for Schedule K “ which are included in the Montana 2006 Corporation License Tax Booklet, Form CLT-4, starting on page 6.

Line 5, Apportionment Factor

Divide line 4 by the number of factors present. A factor is present if you have a value in the Everywhere Activity column for any of the three factors: property, payroll, or sales. For example, if no value is present in the Everywhere Activity column for property, the number of factors present is 2 (payroll and sales only). In this case, line 4 would be divided by 2 instead of 3 to calculate the total apportionment factor.

Net Operating Losses on a Separate Company Basis

Please notice that the net operating loss carryover on your Montana Corporation License Tax Return is calculated on a separate company basis (line 6e on Form Schedule K-COMB). This means that any loss carryover will have to be calculated on a separate company basis. If you have not already calculated your income on a separate company basis for any loss years, you will need to include the loss detail calculated on a separate company basis when you file the return in the period that you are using the loss.