# Montana Schedule K-1 (CLT-4S and PR-1)

### Partner's/Shareholder's Share of Income (Loss), Deductions, Credits, etc.

For the calendar year 2018, or tax year beginning MMDDYYYY and ending MMDDYYYY

	tity		Mark applicable boxes: X Form CLT-4S X Form PR-1 X Amended Schedule K-1 X Entity's Name				Final Schedule K-1			
Part 1	Pass-Through Entity	Information	XXX	s Name XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXX		FEIN	XXXXXXX	XX	
	ass-	드		XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXX					
	п		City	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXX					
			Name				FEIN	XXXXXXXX	XX	
Part 2				XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXX		OR			
		Io		g Address			SSN	XXXXXXXX	XX	
		ırmat		XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX						
		ir Info	City	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXX					
	art 2	Partner/Shareholder Information	F 434	Tong MANY M. Decident M. Nemerident One of Me			3737373	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
	ш.	share	Entity	Type XXX X Resident X Nonresident Sum of Mo Profit/Loss	ntana Source Income		XXXX	XXXXXXXXX XXXX.XXX		
		ner/S	v T	he partner/shareholder is included in a composite income tax return. Capital/Ow	norchin			XXX.XXX		
		Part	ΛΙ		oportionment Factor			XXX.XXX		
			ΧТ	he partner/shareholder filed Form PT-AGR. Year XXXX	oportioninent i actor			MM. MMM	27 70	
			25 1	The partition of the control of the						
C			Α	Montana additions to income To	tal		Mont	ana Source		
			1.	Federal tax-exempt interest and dividendsA1. XXXX				XXXXXXX	00	
		'n	2.	Taxes based on income or profits				XXXXXXX	00	
		ment	3.	Other additions. List type XXXXXXXXXXXXXXXXXXXXXX						
	بر بر	djust		and amount	XXXXXXXX		XXXXX	XXXXXXX	00	
	Pa	ına A	В	Montana deductions from income						
		Montana Adjustments	1.	Interest on US government obligationsB1. XXXX	XXXXXXXX 00		XXXXX	XXXXXXX	00	
		2	2.	Deduction for purchasing recycled materialB2. XXXX	XXXXXXXX 00		XXXXX	XXXXXXX	00	
			3.	Other deductions. List type XXXXXXXXXXXXXXXXXXXXXX						
				and amount				XXXXXXX	00	
		(s	1.	Ordinary business income (loss)					00	
		(Los	2.	Net rental real estate income (loss)					0.0	
		lontana Source Income (Loss)	3.	Other net rental income (loss)					0.0	
		<u>=</u>	4. 5.	Guaranteed payments					00	
		Sourc	5. 6	Ordinary dividends					00	
	Part 4	tana	7	Royalties					00	
				Net short-term capital gain (loss)					00	
		Distributive Share of №		Net long-term capital gain (loss)					00	
		Sha		Net §1231 gain (loss)					00	
		butive		Other income (loss). List type XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX					00	
		Distri		§179 expense deduction apportionable and/or allocable to Montana					00	
		_	13.	Other expense deductions apportionable and/or allocable to Montana		13.	XXXXX	XXXXXXX	00	
		<u>_</u>	1.	Montana composite income tax paid on behalf of partner/shareholder			XXXXX	XXXXXXX	00	
		matio	2a.	Montana income tax withheld on behalf of partner/shareholder (see instructions). 2a. XXXX						
	2	Infor	2b.	Montana income tax withheld by a lower tier pass-through entity2b. XXXX						
	Part 5	Supplemental Information	_	Total Montana income tax withheld on behalf of partner/shareholder						
		plem	3.	Montana mineral royalty tax withheld					00	
		Supl	4.	Separately stated allocable items (include detailed schedule)		4. -	XXXXX	XXXXXXX	00	
Part 6 Tax Credits	<b>'</b> 0		5. 1	Other information. List type XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX					00	
	Credits	Recapture	1.	Contractor's gross receipts tax credit. If multiple CGR accounts, mark here X  CGR Account ID XXXXXXXXXX		7.	XXXXX	XXXXXXX	00	
	ع ax	Reca	2	CGR Account ID XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX		2	VVVV	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	$\cap \cap$	
			۷.	Other dedictedapture information. List type AAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAA	12/2 and annount	۷.	$\nabla \nabla $	VVVVVVV	UU	



#### Owner's Instructions for Montana Schedule K-1 (Forms CLT-4S and PR-1)

Note: These instructions should be used by the partner or shareholder to report information from the Montana K-1 on their return. For instructions on how to prepare the Montana K-1 for each partner or shareholder, refer to the instructions included in the partnership or S corporation instruction booklets.

The Montana Schedule K-1 is required to be provided to all owners. The federal Schedule K-1 cannot serve as a substitute for the Montana Schedule K-1. Montana Schedule K-1 shows information about an owner's share of income, gains, losses, deductions, credits and other items from a pass-through entity.

Partnership or corporation partner/shareholder. If you are a corporation, partnership, or a limited liability company treated like a corporation or partnership, the Montana Schedule K-1 shows your share of Montana source income and Montana statutory adjustments from the entity that may affect the preparation of your Montana tax return.

Resident individual, estate, or trust partner/shareholder. If you are a Montana resident individual, estate, or trust, your entire share of the entity's income, gains, losses, and deductions that are includable in your federal taxable income is Montana source income. The Montana Schedule K-1 shows your share of Montana source income and Montana statutory adjustments from the entity that may affect the preparation of your Montana tax return.

Nonresident or part-year resident individual, estate, or trust partner/shareholder. If you are a nonresident or part-year resident individual, estate, or trust, the amount of your share of the entity's income, gains, losses and deductions that are apportioned and allocated to Montana based on the entity's activity in Montana is used to determine your Montana tax liability. Your share of Montana source income and Montana statutory adjustments are reported to you on the Montana Schedule K-1. You need your Montana Schedule K-1 to determine your tax liability on your Montana tax return unless you are a nonresident who elected to participate in a composite return.

Composite return election. If you are a nonresident individual, estate or trust, a foreign C corporation, or a pass-through entity who elected to participate in a composite return filed on your behalf by the entity, you are not required to file a Montana tax return. If this applies to you, you received the Montana Schedule K-1 to show your share of tax items the entity reported and the composite tax paid on your behalf.

Pass-Through Entity Owner Tax Agreement (PT-AGR). Form PT-AGR is an agreement that a nonresident individual, nonresident estate, nonresident trust, foreign C corporation, domestic second-tier pass-through entity or tax-exempt entity has to complete if they do not participate in a composite return and do not want the partnership to pay taxes on their behalf. If you filed this form, you agreed to timely file a Montana tax return, pay all taxes and be subject to the personal jurisdiction of Montana.

Amended Schedule K-1 (Forms CLT-4S and PR-1). If you received an amended Montana Schedule K-1 from the entity, you may need to file an amended Montana tax return to report the changes in income, gains, losses and deductions.

#### Montana Schedule K-1, Parts 3-6

#### ► Part 3 - Montana Adjustments

#### A-B. Montana Additions and Deductions

To compute Montana income taxable to pass-through entity owners, certain items have to be added to income or deducted from income. The amounts listed are your share of Montana additions and deductions.

If you are an individual, estate or trust, these amounts are reported as additions to or subtractions from federal adjusted gross income to determine Montana adjusted gross income as reported on your Montana income tax return.

**Resident owners.** Use only the "Total" column to report additions and subtractions to your federal adjusted gross income.

**Nonresidents and other owners.** Use the "Total" column to report additions to and subtractions from your federal adjusted gross income. Use the "Montana Source" column to complete nonresident Schedule IV on Form 2 or Schedule F on Form FID-3.

## ► Part 4 – Distributive Share of Montana Source Income (Loss)

Your share of the entity's Montana source income, gains, losses and other additions and deductions to federal taxable income are shown.

**4. Guaranteed payments.** The guaranteed payments remain with the partner receiving the payments as reflected on the federal Schedule K-1. The portion of the guaranteed payments that represent Montana source income are reported on this line.

#### ► Part 5 – Supplemental Information

Supplemental information that could result in adjustments to the Montana tax return is listed in this part.

- 1. Montana composite income tax paid on behalf of partner/shareholder. If applicable, the amount shown on this line is the amount of Montana composite income tax paid on your behalf by the entity. If you made this election, you are not required to file your own Montana tax return. This is for your information only.
- 2a. Montana income tax withheld by the entity in Part 1 on behalf of partner/shareholder. The entity named in Part 1 was required to withhold Montana income tax for those nonresident owners who did not file a consent agreement (Form PT-AGR) and did not elect to participate in a composite return. The amount withheld on your behalf is reported on this line.
- **2b. Montana income tax withheld by a lower tier pass-through entity.** Another entity was required to withhold Montana income tax on behalf of the entity named in Part 1. Your share of the amount withheld is reported on this line.
- **2c.** Total Montana income tax withheld on behalf of partner/shareholder. This is the sum of the amounts reported on lines 2a and 2b. Report this as a pass-through withholding credit on your Montana income tax return.
- 3. Montana mineral royalty tax withheld. If mineral rights are held by a partnership or S corporation in which you have an ownership interest, the royalty payments made to the owners may be subject to withholding if certain thresholds are met. If the partnership or S corporation attributed the withheld mineral royalty tax to you, the amount attributed is listed. This withholding should not be confused with the amounts deducted from royalty payments for production taxes.
- **4. Separately stated allocable nonbusiness items.** This line is for reporting all amounts that are allocable to Montana from nonbusiness activities.
- **5. Other information.** This line lists supplemental information that could result in adjustments to your Montana tax return. If all of the supplemental information could not be listed on this line, the entity should provide you with a statement showing the additional information. Additional information may include items that you can use to calculate a tax credit. An example of an item that can be used to calculate a tax credit is a contribution that qualifies for a qualified endowment credit. If a portion of the contribution is distributed to you, the amount will be reported on this line.

#### ► Part 6 – Montana Tax Credits and Recapture (If Applicable)

Any credit claimed by a partnership or S corporation has to be attributable to its owners generally using the same proportion that is used to report your share of that entity's income or loss for Montana income tax purposes. The tax credits cannot be taken as a credit against composite tax. The form includes the most common tax credits along with space to provide information about any other tax credit or recapture amount.

- 1. Contractor's gross receipts tax credit. If the entity received a tax credit for contractor's gross receipts, the CGR Account ID will be entered into the space provided and the amount entered on line 1 is your portion of the credit. If credit amounts from multiple CGR accounts are passing through to you, a schedule included with your Montana Schedule K-1 identifies how much credit passes through to you from each CGR account.
- **2. Other credit/recapture information.** Some tax credits have provisions requiring a recapture of the tax benefit you received in an earlier tax year (if you do not meet certain requirements in subsequent tax years).