



2023 Montana Income Tax Return for Estates and Trusts
Include a complete copy of the federal Form 1041 and all related forms and schedules.

For calendar year 2023 or tax year beginning MMDD2023 and ending MMDDYYYY

Page 1
Mark all that apply. Name of Estate or Trust FEIN
Initial return
Final return Name and Title of Fiduciary Date Entity Created MMDDYYYY
Amended return Enter number of:
Refund return Mailing Address Schedules K-1 included
Estate or filing trust Resident beneficiaries
made a Section City State ZIP Code + 4 Nonresident beneficiaries
645 election Other types of beneficiaries

Entity Type. Mark all that apply. Residency Status
Decedent's estate Qualified disability trust Bankruptcy estate (Chapter 11) Resident Resident part-year
Simple trust ESBT Pooled income fund Nonresident State moved to
Complex trust Grantor type trust Qualified funeral trust State moved from
Bankruptcy estate (Chapter 7) Other Date of change MMDDYYYY

Enter amounts on lines 1 through 17 corresponding to your federal return. Round to the nearest dollar. If no entry, leave blank.

Table with 3 columns: Line number, Description, Amount. Includes lines 1-9 for Income. Line 9 total federal income.

Line 9 must equal the total income reported on federal Form 1041 (See instructions for Electing Small Business Trust).

Table with 3 columns: Line number, Description, Amount. Includes lines 10-24 for Deductions and Exemptions. Line 24 total Montana taxable income.

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Date Received



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Taxes and Credits	25	Montana taxable income from line 24	25	00
	26	Tax from the tax table. If line 25 is zero or less, enter 0.	26	00
	27	Resident capital gains tax credit on undistributed capital gains from Schedule E, line 4	27	00
	28	Subtract line 27 from line 26. If zero or less, enter 0. This is your resident tax after capital gains tax credit.	28	00
	28a	Nonresident, part-year resident tax after capital gains credit from Schedule F, line 18, but not less than zero	28a	00
	29	Tax on lump sum distributions	29	00
	30	Add line 28 or 28a and line 29. This is your total tax.	30	00
	31	Credit for taxes paid to other states or countries (See instructions)	31	00
	32	Other nonrefundable credits. List credit forms. <input type="text"/>	32	00
	33	Add lines 31 and 32. This is your total nonrefundable credits.	33	00
34	Subtract line 33 from line 30. If zero or less, enter 0.	34	00	
35	Endowment credit recapture tax	35	00	
36	Add lines 34, 35, and the ESBT tax liability from Schedule G, line 16. This is your tax liability.	36	00	
Payments and Refundable Credits	37a	Total Montana income tax withheld. Include federal Forms W-2 and 1099.	37a	00
	37b	Montana income tax withheld allocated to beneficiaries	37b	00
	37	Subtract line 37b from 37a. This is your Montana income tax withheld allocable to the estate or trust.	37	00
	38a	Total Montana pass-through entity tax reported on Montana Schedules K-1 (PTE), Part 5, line 1	38a	00
	38b	Montana pass-through entity tax allocated to beneficiaries	38b	00
	38	Subtract line 38b from 38a. This is your Montana pass-through entity tax allocable to the estate or trust.	38	00
	39a	Total Montana pass-through entity withholding from Montana Schedules K-1 (PTE), Part 5, line 3c	39a	00
	39b	Montana pass-through entity withholding allocated to beneficiaries	39b	00
	39	Subtract line 39b from 39a. This is your Montana pass-through entity withholding allocable to the estate or trust.	39	00
	40a	Total Montana mineral royalty tax withheld from federal Forms 1099 or Montana Schedules K-1 (PTE), Part 5, line 5	40a	00
	40b	Mineral royalty tax withheld allocated to beneficiaries	40b	00
	40	Subtract line 40b from 40a. This is your mineral royalty tax withheld allocable to the estate or trust.	40	00
	41	2023 estimated tax payments	41	00
	42	Overpayment applied from the 2022 return	42	00
	43	Other Payments	43	00
44	If filing an amended return, payments made with original return	44	00	
45	If filing an amended return, enter overpayments already refunded or applied to 2024.	45	00	
46	Refundable credits. List credit forms. <input type="text"/>	46	00	
47	Add lines 37 through 44 and 46, then subtract line 45. This is your total payments and refundable credits.	47	00	
Tax	48	If line 36 is greater than line 47, subtract line 47 from line 36. This is your tax due.	48	00
	49	If line 47 is greater than line 36, subtract line 36 from line 47. This is your tax overpaid.	49	00
Penalties and Interest	50	Interest on underpayment of estimated taxes (See instructions)	50	00
	51	Late filing, late payment penalties and interest (See instructions and table)	51	00
	52	Other penalties (See instructions)	52	00
	53	Add the amounts on lines 50 through 52. This is your total penalties and interest.	53	00

Continue to page 3 for the calculation of the amount the entity owes or its refund.

2023 Montana Fiduciary Income Tax Table

If Your Taxable Income Is More Than	But Not More Than	Multiply Your Taxable Income By	And Subtract	This Is Your Tax
\$0	\$3,600	1% (0.010)	\$0	
\$3,600	\$6,300	2% (0.020)	\$36	
\$6,300	\$9,700	3% (0.030)	\$99	
\$9,700	\$13,000	4% (0.040)	\$196	
\$13,000	\$16,800	5% (0.050)	\$326	
\$16,800	\$21,600	6% (0.060)	\$494	
More Than \$21,600		6.75% (0.0675)	\$656	

For example: Taxable income \$6,800 X 3% (0.030) = \$204 \$204 minus \$99 = \$105 tax

Questions? Call us at (406) 444-6900, or Montana Relay at 711 for the hearing impaired.



Schedule B – Schedule of Deductions/Subtractions

1	Exempt interest and mutual fund dividends from federal bonds, notes, and other obligations	1		00
2	State tax refunds included on page 1, line 8	2		00
3	Other recoveries of amounts deducted in earlier years that did not reduce Montana taxable income	3		00
4	Partial Pension, Annuity, and IRA income exemption (See worksheet and instructions)	4		00
5	Subtraction for federal taxable U.S. Railroad Retirement Board benefits (Tier I and Tier II)	5		00
6	Expenses allocated to other states' interest and mutual fund dividends	6		00
7	Montana net operating loss carryover from Montana Form NOL	7		00
8	State and local taxes (limited to \$10,000, see instructions)	8		00
9	Other subtractions. List type <input type="text"/> and amount.	9		00
10	Add lines 1 through 9. Enter the total on page 1, line 19. This is your total deductions/subtractions.	10		00

Schedule C – Montana Distributable Net Income (MDNI) and Montana Income Distribution Deduction (MIDD)

1	Montana adjusted total income or (loss) from page 1, line 20. If Montana adjusted total income and the total from page 1, line 4 are losses, use the smaller loss.	1		00
2a	Add: Federal tax-exempt income (gross)	2a		00
2b	Less: Expenses allocated to federal tax-exempt income	2b		00
2c	Add: Income from federal obligations that is tax-exempt for Montana	2c		00
2d	Less: Expenses allocated to income from federal obligations that are tax-exempt for Montana	2d		00
2e	Add: Expenses allocated to non-Montana municipal income taxable to Montana	2e		00
2f	Less: Non-Montana municipal income taxable to Montana	2f		00
2	Montana adjusted tax-exempt interest income	2		00
3a	Enter the amount from federal Form 1041, Schedule B, line 3	3a		00
3b	Enter the amount from federal Form 1041, Schedule B, line 4	3b		00
3c	Enter the amount from federal Form 1041, Schedule B, line 5	3c		00
3	Add lines 3a through 3c. This is your total net capital gains.	3		00
4	If the amount on page 1, line 4 is a gain, enter as a negative number. If the amount on page 1, line 4 is a loss, enter the loss as a positive number.	4		00
5	Combine lines 1 through 4. If zero or less, enter 0. This is your Montana distributable net income.	5		00
6	If a complex trust, enter the accounting income for the tax year as determined under the governing instrument	6		00
7	Income required to be distributed currently	7		00
8	Other amounts paid, credited, or otherwise required to be distributed	8		00
9	Add lines 7 and 8. This is your actual total distributions for the year.	9		00
10	Tax-exempt income included in actual distributions included on line 9	10		00
11	Subtract line 10 from line 9. This is your tentative income distribution deduction based on actual distributions.	11		00
12	Subtract line 2 from line 5. If zero or less, enter 0. This is your tentative income distribution deduction.	12		00
13	Enter the smaller of line 11 or line 12 here, and on page 1, line 21. If zero or less, enter 0. This is your Montana income distribution deduction.	13		00





Schedule D – Beneficiaries and Montana Income Distributions

A Montana Schedule K-1 is required for every beneficiary receiving a Montana income distribution. If more than 8 beneficiaries, see instructions.

1	Name	<input type="text"/>					
	SSN	<input type="text"/>	FEIN	<input type="text"/>			
			1a	Share of federal distribution deduction	1a	<input type="text"/>	00
			1b	Share of Montana distribution deduction	1b	<input type="text"/>	00
			1c	Difference (line 1a minus line 1b)	1c	<input type="text"/>	00

2	Name	<input type="text"/>					
	SSN	<input type="text"/>	FEIN	<input type="text"/>			
			2a	Share of federal distribution deduction	2a	<input type="text"/>	00
			2b	Share of Montana distribution deduction	2b	<input type="text"/>	00
			2c	Difference (line 2a minus line 2b)	2c	<input type="text"/>	00

3	Name	<input type="text"/>					
	SSN	<input type="text"/>	FEIN	<input type="text"/>			
			3a	Share of federal distribution deduction	3a	<input type="text"/>	00
			3b	Share of Montana distribution deduction	3b	<input type="text"/>	00
			3c	Difference (line 3a minus line 3b)	3c	<input type="text"/>	00

4	Name	<input type="text"/>					
	SSN	<input type="text"/>	FEIN	<input type="text"/>			
			4a	Share of federal distribution deduction	4a	<input type="text"/>	00
			4b	Share of Montana distribution deduction	4b	<input type="text"/>	00
			4c	Difference (line 4a minus line 4b)	4c	<input type="text"/>	00

5	Name	<input type="text"/>					
	SSN	<input type="text"/>	FEIN	<input type="text"/>			
			5a	Share of federal distribution deduction	5a	<input type="text"/>	00
			5b	Share of Montana distribution deduction	5b	<input type="text"/>	00
			5c	Difference (line 5a minus line 5b)	5c	<input type="text"/>	00

6	Name	<input type="text"/>					
	SSN	<input type="text"/>	FEIN	<input type="text"/>			
			6a	Share of federal distribution deduction	6a	<input type="text"/>	00
			6b	Share of Montana distribution deduction	6b	<input type="text"/>	00
			6c	Difference (line 6a minus line 6b)	6c	<input type="text"/>	00

7	Name	<input type="text"/>					
	SSN	<input type="text"/>	FEIN	<input type="text"/>			
			7a	Share of federal distribution deduction	7a	<input type="text"/>	00
			7b	Share of Montana distribution deduction	7b	<input type="text"/>	00
			7c	Difference (line 7a minus line 7b)	7c	<input type="text"/>	00

8	Name	<input type="text"/>					
	SSN	<input type="text"/>	FEIN	<input type="text"/>			
			8a	Share of federal distribution deduction	8a	<input type="text"/>	00
			8b	Share of Montana distribution deduction	8b	<input type="text"/>	00
			8c	Difference (line 8a minus line 8b)	8c	<input type="text"/>	00



Schedule E – Resident Capital Gains Tax Credit Calculation

1	Enter the capital gain or (loss) from page 1, line 4	1	00
2	Enter the net capital gains reported on federal Form 1041, Schedule D, Part III, line 19, column (1) Beneficiaries	2	00
3	Subtract line 2 from line 1. If this line is zero or less, you cannot claim a capital gains credit.	3	00
4	Multiply line 3 by 2% (.02). Enter here and on page 2, line 27. This is your allowable resident capital gains tax credit.	4	00

Schedule F – Nonresident /Part-Year Resident Estate and Trust Tax

	A Total undistributed income		B Montana source income included in column A	
1	Interest income	00		00
2	Ordinary dividends	00		00
3	Business income or (loss)	00		00
4	Capital gain or (loss)	00		00
5	Rental real estate, royalties, partnerships, S corporations, other estates, and trusts, etc.	00		00
6	Farm income or (loss)	00		00
7	Ordinary gain or (loss)	00		00
8	Other income	00		00
9	Interest and mutual fund dividends from other states' state, county, or municipal bonds	00		00
10	Dividends not included in total federal income	00		00
11	Taxable federal refund	00		00
12	Other recoveries of amounts deducted in earlier years that reduced Montana taxable income	00		00
13	Other additions to income and adjustments	00		00
14	Add lines 1 through 13 and enter the result here. Column B is the estate or trust's Montana source income.	00		00
15	Divide the amount in column B, line 14 by the amount in column A, line 14 and enter result here. Round to 6 decimal places and do not enter more than 1.000000.			<input type="text"/>
16	Enter the tax from page 2, line 26			00
17	Multiply column B, line 4 by 2% (.02). This is your nonresident/part-year resident capital gains credit.			00
18	Multiply the tax on line 16 by the percentage on line 15 and deduct line 17. Enter the result here and on page 2, line 28a. This is your estate or trust nonresident/part-year resident tax after capital gains tax credit.			00

Schedule F applies to nonresident and part-year resident estates and trusts only. The fiduciary will use this schedule to compute the ratio of undistributed Montana source income to total undistributed income. This ratio is then multiplied by the tax from page 2, line 26, and reduced by the capital gains credit on Schedule F, line 17, to determine the nonresident or part-year resident tax to be reported on page 2, line 28a.

Column A – For lines 1 through 13, start with the corresponding line on page 1 and reduce that amount by any income distributed to the beneficiaries.

Column B – For lines 1 through 13, report the amount of Montana source income included in column A.



Schedule G – S Portion Tax Calculation of ESBT

1 Total federal adjusted ESBT income (See instructions and include federal computation)	1	<input type="text"/>	00
2 Montana additions to ESBT income (Include statement)	2	<input type="text"/>	00
3 Montana deductions from ESBT income (Include statement)	3	<input type="text"/>	00
4 Add lines 1 and 2, then subtract line 3. This is your Montana adjusted ESBT income.	4	<input type="text"/>	00
5 Federal income tax paid or accrued on ESBT income	5	<input type="text"/>	00
6 Subtract line 5 from line 4. This is your Montana taxable ESBT income.	6	<input type="text"/>	00
7 Tax from tax table. If line 6 is zero or less, enter 0.	7	<input type="text"/>	00
8 Montana source income	8	<input type="text"/>	00
9 Divide line 8 by line 4 (round to 6 decimal places). This is your nonresident ratio.	9	<input type="text"/>	<input type="text"/>
10 Multiply line 7 by line 9. This is your nonresident/part-year resident tax.	10	<input type="text"/>	00
11 Capital gains credit. (See instructions)	11	<input type="text"/>	00
<i>If you are a resident or part-year resident trust, complete line 12. If you are a nonresident trust, skip line 12.</i>			
12 Enter the total credit for income taxes paid to another state or country (See instructions)	12	<input type="text"/>	00
13 Other nonrefundable credits. List credit forms <input type="text"/>	13	<input type="text"/>	00
14 Combine lines 11 through 13	14	<input type="text"/>	00
15 Endowment credit recapture tax	15	<input type="text"/>	00
16 If a resident trust, add lines 7 and 15, or if a nonresident or part-year resident trust, add lines 10 and 15. Subtract line 14 from the result. If zero or less, enter 0. Enter here and include on page 2, line 36. This is your S portion tax liability.	16	<input type="text"/>	00

Schedule H – Reporting of Special Transactions, NOL and Amended Return Information
Part I. Reporting of Special Transactions

Complete this part only if the estate or trust filed any of the federal income tax forms described below. Mark the appropriate box indicating which form the estate or trust filed with the Internal Revenue Service for this tax year.

- 1 The estate or trust filed federal **Form 8918 – Material Advisor Disclosure Statement** with the Internal Revenue Service. Yes
Material advisors are required to file Form 8918 for any reportable transactions.
- 2 The estate or trust filed federal **Form 8824 – Like-Kind Exchanges** with the Internal Revenue Service. Yes
NOTE: Mark the box if the like-kind exchange includes Montana property. Nonresidents do not have to report a like-kind exchange if the properties involved do not include Montana property.
Use Form 8824 to report each exchange of business or investment property for property of a like kind.
- 3 The estate or trust filed federal **Form 8865 – Return of U.S. Persons With Respect to Certain Foreign Partnerships** with the Internal Revenue Service. Yes
Use Form 8865 to report the information required under 26 USC 6038 (reporting with respect to controlled foreign partnerships), section 6038B (reporting of transfers to foreign partnerships), or section 6046A (reporting of acquisitions, dispositions, and changes in foreign partnership interest).
- 4 The estate or trust filed federal **Form 8886 – Reportable Transaction Disclosure Statement** with the Internal Revenue Service. Yes
Use Form 8886 to disclose information for each reportable transaction in which the estate or trust participated.

Part II. Farming Business Net Operating Loss Carryback Waiver

Mark the box if you do not want to carry back your farming business net operating loss.
You must make this election by the due date (including extension) for filing your income tax return.

Part III. Amended Return Information

Mark the appropriate box.

- a NOL carryback
- b Federal audit
- c Amended federal return
- d Filing status
- e Other

In the table below, indicate the reasons for the changes you made to your Montana tax return.

Form or Schedule	Line or Box	Reason
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>



