



2020 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 2020 or tax year beginning MMDD2020 and ending MMDDYYYY

Page 1

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

Entity Type. Mark all that apply.				Residency Status			
<input type="checkbox"/> Decedent's estate	<input type="checkbox"/> Qualified disability trust	<input type="checkbox"/> Bankruptcy estate (Chapter 11)	<input type="checkbox"/> Resident	<input type="checkbox"/> Resident part-year			
<input type="checkbox"/> Simple trust	<input type="checkbox"/> ESBT	<input type="checkbox"/> Pooled income fund	<input type="checkbox"/> Nonresident	State moved to			
<input type="checkbox"/> Complex trust	<input type="checkbox"/> Grantor type trust	<input type="checkbox"/> Qualified funeral trust		State moved from			
	<input type="checkbox"/> Bankruptcy estate (Chapter 7)	<input type="checkbox"/> 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.

Income	1 Interest income	1		00
	2 Ordinary dividends	2		00
	3 Business income or (loss) Federal Business Code/NAICS 	3		00
	4 Capital gain or (loss)	4		00
	5 Rents, royalties, partnerships, other estates and trusts, etc.	5		00
	6 Farm income or (loss)	6		00
	7 Ordinary gain or (loss)	7		00
	8 Other income. List type and amount.	8		00
	9 Add lines 1 through 8. This is your total federal income.	9		00
Line 9 must equal the total income reported on federal Form 1041 (See instructions for Electing Small Business Trust).				
Deductions and Exemptions	10 Interest	10		00
	11 Taxes (do not include federal income tax deduction)	11		00
	12 Fiduciary fees	12		00
	13 Charitable deduction	13		00
	14 Attorney, accountant, and return preparer fees	14		00
	15a Other deductions (include schedule)	15a		00
	15b Net operating loss deduction (See instructions)	15b		00
	16 Add lines 10 through 15b	16		00
	17 Federal adjusted total income or (loss). Subtract line 16 from line 9. (The amount on this line must equal federal Form 1041, line 17.)	17		00
	18 Montana additions from Schedule A, line 9	18		00
	19 Montana deductions and subtractions from Schedule B, line 10	19		00
	20 Add lines 17 and 18, then subtract line 19. This is your Montana adjusted total income or (loss).	20		00
	21 Montana income distribution deduction from Schedule C, line 13, but not less than zero	21		00
	22 Federal taxes paid or accrued on undistributed income	22		00
	23 Exemption	23	2 5 6 0	00
24 Subtract lines 21, 22, and 23 from line 20. (If a loss, see instructions.) This is your Montana taxable income.	24		00	

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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 withholding from Montana Schedules K-1 (PTE), Part 5, line 3	38a	00
	38b	Montana pass-through entity withholding allocated to beneficiaries	38b	00
	38	Subtract line 38b from 38a. This is your Montana pass-through entity withholding allocable to the estate or trust.	38	00
	39a	Total Montana mineral royalty tax withheld from federal Forms 1099 or Montana Schedules K-1 (PTE), Part 5, line 4	39a	00
	39b	Mineral royalty tax withheld allocated to beneficiaries	39b	00
	39	Subtract line 39b from 39a. This is your mineral royalty tax withheld allocable to the estate or trust.	39	00
	40	2020 estimated tax payments and amount applied from the 2019 return	40	00
41	2020 extension payments	41	00	
42	Refundable credits. List credit forms. <input type="text"/>	42	00	
43	Add lines 37 through 42. This is your total payments and refundable credits.	43	00	
Tax	44	If line 36 is greater than line 43, subtract line 43 from line 36. This is your tax due.	44	00
	45	If line 43 is greater than line 36, subtract line 36 from line 43. This is your tax overpaid.	45	00
Penalties and Interest	46	Interest on underpayment of estimated taxes (See instructions)	46	00
	47	Late file, late payment penalties and interest (See instructions and table)	47	00
	48	Other penalties (See instructions)	48	00
	49	Add the amounts on lines 46 through 48. This is your total penalties and interest.	49	00

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

2020 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	\$3,100	1% (0.010)	\$0	
\$3,100	\$5,500	2% (0.020)	\$31	
\$5,500	\$8,400	3% (0.030)	\$86	
\$8,400	\$11,300	4% (0.040)	\$170	

For example: Taxable income \$6,800 X 3% (0.030) = \$204 \$204 minus \$86 = \$118 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 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"/>	FEIN	<input type="text"/>	1a	Share of federal distribution deduction	1a	<input type="text"/>	00
	SSN	<input type="text"/>			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"/>	FEIN	<input type="text"/>	2a	Share of federal distribution deduction	2a	<input type="text"/>	00
	SSN	<input type="text"/>			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"/>	FEIN	<input type="text"/>	3a	Share of federal distribution deduction	3a	<input type="text"/>	00
	SSN	<input type="text"/>			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"/>	FEIN	<input type="text"/>	4a	Share of federal distribution deduction	4a	<input type="text"/>	00
	SSN	<input type="text"/>			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"/>	FEIN	<input type="text"/>	5a	Share of federal distribution deduction	5a	<input type="text"/>	00
	SSN	<input type="text"/>			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"/>	FEIN	<input type="text"/>	6a	Share of federal distribution deduction	6a	<input type="text"/>	00
	SSN	<input type="text"/>			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"/>	FEIN	<input type="text"/>	7a	Share of federal distribution deduction	7a	<input type="text"/>	00
	SSN	<input type="text"/>			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"/>	FEIN	<input type="text"/>	8a	Share of federal distribution deduction	8a	<input type="text"/>	00
	SSN	<input type="text"/>			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	B
	Total undistributed income	Montana source income included in column A
1	00	00
2	00	00
3	00	00
4	00	00
5	00	00
6	00	00
7	00	00
8	00	00
9	00	00
10	00	00
11	00	00
12	00	00
13	00	00
14	00	00
Column B is the estate or trust's Montana source income.		
15		<input type="text"/>
16		00
17		00
18		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		00
2 Montana additions to ESBT income (Include statement)	2	00	
3 Montana deductions from ESBT income (Include statement)	3	00	
4 Add lines 1 and 2, then subtract line 3. This is your Montana adjusted ESBT income.	4		00
5 Federal income tax paid or accrued on ESBT income	5		00
6 Subtract line 5 from line 4. This is your Montana taxable ESBT income.	6		00
7 Tax from tax table. If line 6 is zero or less, enter 0.	7	00	
8 Montana source income	8	00	
9 Divide line 8 by line 4 (round to 6 decimal places). This is your nonresident ratio.	9		
10 Multiply line 7 by line 9. This is your nonresident/part-year resident tax.	10		00
11 Capital gains credit. (See instructions)	11		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		00
13 Other nonrefundable credits. List credit forms <input type="text"/>	13		00
14 Combine lines 11 through 13	14		00
15 Endowment credit recapture tax	15		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		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. If your answer is "Yes" to one or more of these forms, include a complete copy of the federal Form 1041.

- 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. Net Operating Loss Election for Tax Years 2018, 2019, and 2020

If you do not want to carry back one or more of your net operating losses incurred in 2018, 2019 or 2020, mark the box for the corresponding tax year:

- 2018 2019 2020

If you incurred several NOL over the period, you may select to forgo the carryback period for one NOL year and not the other.

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



Montana Schedule K-1 (FID-3)

Beneficiary's Share of Income (Loss), Deductions, Credits, etc.

For calendar year 2020 or tax year beginning and ending

Part 1 Estate or Trust Information	Mark applicable boxes: <input type="checkbox"/> Final Schedule K-1 <input type="checkbox"/> Amended Schedule K-1		FEIN	<input type="text"/>
	Name of Estate or Trust <input type="text"/>			
	Fiduciary's Name <input type="text"/>			
	Mailing Address <input type="text"/>			
	City	State	ZIP Code	<input type="text"/>

Part 2 Beneficiary Information	Beneficiary's Name <input type="text"/>		FEIN	<input type="text"/>
	Mailing Address <input type="text"/>		OR	<input type="text"/>
	City <input type="text"/>		SSN	<input type="text"/>
	State		ZIP Code	<input type="text"/>
	What type of entity is this beneficiary? <input type="text"/>			

If beneficiary is an individual, estate, or trust, the beneficiary is a: Full-year resident Part-year resident Nonresident

Part 3 Montana Adjustments	A Montana additions to income. Adjustment for smaller federal estate and trust taxable distributions.	A	00
	B Montana deductions from income. Adjustment for larger federal estate and trust taxable distribution.	B	00

Part 4 Beneficiary's Share of Montana Source Income (Loss)	1 Interest income	1	00
	2 Dividends	2	00
	3 Business income or (loss)	3	00
	4 Capital gain or (loss)	4	00
	5 Rents, royalties, partnerships, S corporations, other estates and trusts, etc.	5	00
	6 Net farm income or (loss)	6	00
	7 Ordinary gain or (loss)	7	00
	8 Other income. List type <input type="text"/> and amount.	8	00
	9 Montana source additions to income reported on Form FID-3, Schedule A. Include a list with types <input type="text"/> and amount.	9	00

Part 5 Supplemental Information	1 Montana mineral royalty tax withheld	1	00
	2 Federal income tax paid or incurred allocated to beneficiary. (See instructions)	2	00
	3 Other information. List type <input type="text"/> and amount.	3	00



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