
MeF Technical Requirements for Tax Software Developers

Corporate Income Tax

Tax Year 2023

Draft Version 1.0

July 14, 2023



Contents

Introduction.....	3
What Has Changed for Tax Year 2023	3
2023 Business Schema.....	3
2023 Change Logs.....	3
Business Rules.....	3
Reject Codes.....	3
Binary Attachment Reject Code Errors	3
What Forms Can Be Filed Electronically	5
Submission Manifest	6
Montana 2023 Corporate Income Tax Return with MeF Schema Reference Numbers.....	7

Introduction

The material in this publication will provide software developers the necessary information for capturing and formatting Montana Corporate Income Tax data required to submit a complete Montana Corporate Income Tax return. This publication does not replace the requirements, procedures, etc., issued by the IRS. All IRS requirements must be adhered to in the development of the Montana return.

What Has Changed for Tax Year 2023

Montana Senate Bill 24 (2023) requires corporations with more than \$750,000 in gross receipts during a tax period to file electronically.

The Requirements documentation listed below can be found on the State Exchange System located at <https://taxadmin.kiteworks.com/>.

2023 Business Schema

The 2023 Schema package for Business Tax returns will be posted to the State Exchange System. The version is titled MTBusiness2023V1.0. The Corporate Income Tax (CIT) schemas are in the MTBusiness folder titled BusinessReturnCIT.xsd and ReturnDataCIT.xsd.

2023 Change Logs

A schema change log is posted as separate document on the State Exchange System with all changes to the CIT schema for the current tax year. The change log spreadsheet is named 2023CITchangelogV1.0.xlsx.

Business Rules

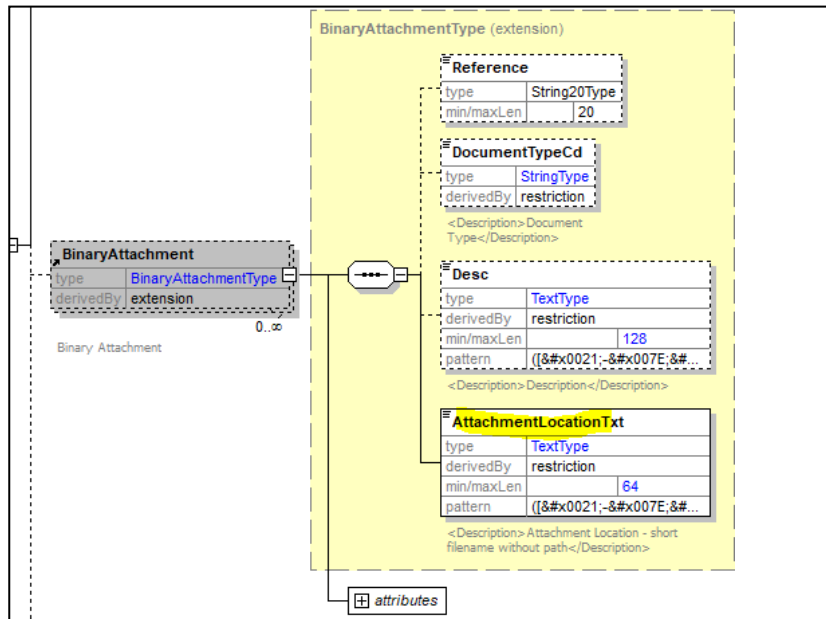
The Corporate Income Tax Business Rules and Reject Codes excel document along with the 2023 Instructions are also posted on the SES website for your review.

Reject Codes

Montana uses automated reject codes to enforce some of these business rules on return submissions. The reject code requirement documentation is also posted on the SES website for your review on the same spreadsheet as the Business Rules under the 2023 Reject Code Items tab.

Binary Attachment Reject Code Errors

If the reject code is based on a required attachment needed in the return submission the file name needs to match the file name shown on the reject code documentation or a schema validation will occur. Please see the file names to be used in the Business Rule Reject code excel tab on the SES website. The filename name needs to match exactly (no spaces, not case sensitive) with the file extension included. The schema element used to look for the correct filename is the AttachmentLocationTxt element in the Binary Attachment section of the schema shown below.



For Example, If Page 3, line 2d (Income/loss of foreign parent and foreign subsidiaries for worldwide combined filers) has a non-zero value, the supporting schedule will need to be attached to the return or it will reject. To prevent the reject, you need to update the Binary attachment schema element above with the exact name **"ForeignIncomeSchedule.pdf"** and attach the file with the return.

```
<BinaryAttachment documentId="-" documentName="a" softwareId="a" softwareVersion="!">
```

```
  <Reference>Reference</Reference>
```

```
  <DocumentTypeCd>PDF</DocumentTypeCd>
```

```
  <Desc>ForeignIncomeSchedule</Desc>
```

```
  <AttachmentLocationTxt>ForeignIncomeSchedule.pdf</AttachmentLocationTxt>
```

```
</BinaryAttachment>
```

What Forms Can Be Filed Electronically

Montana will allow returns to be filed electronically if they meet the criteria set by the IRS and the State of Montana. The following is a list of forms and schedules that are available when electronically filing the Corporate Income Tax Return.

Current Forms

Form CIT	Montana Corporate Income Tax Return
Form Schedule K	Apportionment Factors for Multi-State Taxpayers
Form Schedule C	Tax Credits
Schedule M	Affiliated Entities
Form CIT – UT	Annualized/Seasonal Income Worksheet
Schedule K Combined	Apportionment Factors for Combined Filers
Form QEC	Quality Endowment Credit
Form RCYL	Recycling Credit
Schedule WE	Water’s Edge Schedule
Form IUFC	Infrastructure User Fee Credit
Media Claim Form	Media Credit
Schedule NOL	Net Operating Loss Deduction
Form JGI	Job Growth Incentive Credit
Form TETC	Trades Education and Training Credit

The Montana Department of Revenue accepts attachments of the following items:

- Amended Return Reason
- Description of Montana Activities
- Taxes Based on Income – MT
- Income/Loss of Foreign Subsidiaries
- Income/Loss of Unconsolidated Unitary Subsidiaries
- Other Additions
- Nonbusiness Income
- Income/Loss Nonunitary Subsidiaries
- Income/Loss of 80/20 Companies
- Other Reductions
- Income Allocated to Montana
- Net Operating Loss
- All Other Payments
- Previously Issued Refunds
- Miscellaneous Statements
- See Montana Business Rules for additional required attachments

Submission Manifest

The following values should be used in the state submission manifest.

Element Name	Form CIT
GovernmentCode	MTST
StateSubmissionType	CIT
SubmissionCatagory	CORP

Form CIT

C



2023 Montana Corporate Income Tax Return
 Include a copy of federal Form 1120 as filed with the Internal Revenue Service

Clear Form

For calendar year 2020 or tax year beginning MMDD2019 and ending MMDDYYYY

Name			FEIN
Mailing Address			Federal Business Code/NAICS 160
City	State	ZIP Code	State Incorporated in 170 on MM 180 YYYY
			Date Qualified in Montana MM 190 YYYY
			MT Secretary of State ID 195

Mark all that apply:

- 100 Initial Return
- 120 Amended Return – Filers need to complete the entire form using the corrected amounts.
- 110 Final Return
- 130 Refund Return

Part I - Filing Method

- 200 Mark this box if you are protected under the provision of Public Law 86-272.
 How many companies are claiming protection under Public Law 86-272? 205
 If marked, Schedule K must be completed and included with your tax return; skip questions 2 through 5 of this part.
- Are you a member (parent or subsidiary) of a consolidated group for federal purposes? 210 Yes No
- Are you filing a combined return for Montana purposes? 220 Yes No
- If you answered **Yes** to questions 2 or 3 above, then mark one of the following filing methods and include Schedule M:
 - 240 a. Separate Company
 - 250 b. Separate Accounting
 - 260 c. Worldwide Combination
 - 270 d. Domestic Combination
 - 280 e. Limited Combination (Attach statement)
 - 290 f. Water's Edge
 (You must have a valid election and Schedule WE must be included.)
- How many members of the unitary group had property, payroll or receipts in Montana or have an interest in a pass-through entity with Montana activity during the taxable period? 300
- Are all members of the unitary group 100% Montana corporations? ...305 Yes No
- If you answered **Yes** to questions 2 or 3 above, you must include pages 1 through 5 of the parent's consolidated federal Form 1120 that you filed with the Internal Revenue Service, and enter:
 - a. Ultimate U.S. parent's name as reported on federal tax return 310
 - b. Ultimate U.S. parent's FEIN 315

Part II - Amended Return Only (mark all that apply)

- a. Federal Revenue Agent Report; include a complete copy of this report. 320
- b. NOL carryback/carry forward; list year(s) of loss. 330/340
 (Schedule NOL must be included.)
- c. Apportionment factor changes; include a statement explaining all adjustments in detail. 350
- d. Amended federal tax return (form 1120X); include a complete copy of the federal Form 1120X. 360/370
- e. Application and/or change in tax credit; list type of credit being claimed. 380
- f. Other; include a statement explaining all adjustments in detail. 390

Part III - General Questions (all questions must be answered)

- Describe in detail the nature and location(s) of your Montana activities (if necessary, provide the description on an additional page).
 400
- Is this your corporation's first Montana tax return?...410 Yes No
 If this corporation is a successor to a previously existing business, enter the predecessor's information:
 Name 420 FEIN 430

Office Use Only
 Date Received



Part III - General Questions (continued)

- c. Is this your corporation's final Montana tax return? **440** Yes No
 If **Yes**, please include detailed statement and indicate whether your corporation has:
 Withdrawn **450** Merged **460** Dissolved **470** Reorganized **480**
 Date of withdrawal, dissolution, merger, or reorganization **490**
 If applicable, enter the successor's name **500** FEIN **510**
- d. For any tax period(s), has the Internal Revenue Service issued an official notice of change or correction that you have not filed with the Montana Department of Revenue? **520** Yes No
 If **Yes**, indicate what period(s) **530**
- e. Are any statute of limitation waivers currently in force that have been executed with the Internal Revenue Service? **540** Yes No
 If **Yes**, which taxable year(s) is covered and what is the expiration date(s) of the waiver(s)? **550**
- f. Have you filed an amended federal tax return for any of the last five taxable periods? **560** Yes No
 If **Yes**, for which years have you filed amended Montana returns? **570**
- g. Did an individual at the end of the taxable year own, directly or indirectly, 50% or more of the voting stock of this corporation? If **Yes**, enter name **590** and % of ownership **600** Yes **580** No
- h. Did a partnership, corporation, estate or trust at the end of the taxable year own, directly or indirectly, 50% or more of the voting stock of this corporation? **610** Yes No
 If **Yes**, enter name **620** and % of ownership **630**
- i. Did the same individual, partnership, corporation, estate or trust designated above in question g, or h at the end of the taxable year also own, directly or indirectly, 50% or more of the voting stock of another (brother-sister) corporation? **640** Yes No
- j. Did this corporation or any member of the consolidated group own, directly or indirectly, 50% or more of the outstanding voting stock of a domestic corporation that is not included in the consolidated group? **650** Yes No
 If **Yes**, how many corporations? **655**
- k. Did this corporation or any member of the consolidated group own, directly or indirectly, 50% or more of the outstanding voting stock of a foreign corporation? If **Yes**, how many corporations? **665** **660** Yes No
- l. Was your corporation owned 50% or more, directly or indirectly, by a corporation or entity that was organized or incorporated outside the U.S.? **670** Yes No
 If **Yes**, enter name **680** and % of ownership **690**
- m. Did this corporation or any member of the consolidated group directly or indirectly have an interest in a domestic partnership? If **Yes**, how many partnerships? **692** **691** Yes No
- n. Did this corporation or any member of the consolidated group directly or indirectly have an interest in a foreign partnership? If **Yes**, how many partnerships? **694** **693** Yes No
If you answered Yes to any of the above questions (g) through (n), you need to complete and include Schedule M.
- o. Are you a multistate taxpayer that uses market sourcing for receipts factor purposes and uses reasonable approximation in assigning receipts? If yes, provide a brief description. Yes **695** No
696

Part IV - Reporting of Special Transactions

Mark **Yes** if you filed any of the following forms with the Internal Revenue Service. You must include with your Montana tax return a complete copy of any of these applicable forms.

- a. I filed federal Form 8886 - Reportable Transaction Disclosure Statement with the Internal Revenue Service. Yes **700** No
 Form 8886 is used to disclose information for each reportable transaction in which you participated.
- b. I filed federal Schedule UTP - Uncertain Tax Position Statement with the Internal Revenue Service. Yes **710** No
 Schedule UTP is used to disclose uncertain tax positions.

<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>



Computation of Montana Taxable Income and Net Amount Due

1. Taxable income reported on your federal tax return (line 28). Include a copy of signed federal Form 1120.....		1.	<input type="text" value="790"/>	<input type="text" value="00"/>
2. Additions				
2a. State, local, foreign and franchise taxes based on income. Include breakdown of your Form 1120, line 17		2a.	<input type="text" value="800"/>	<input type="text" value="00"/>
2b. Federal tax exempt interest.....		2b.	<input type="text" value="810"/>	<input type="text" value="00"/>
2c. Contributions used to compute qualified endowment credit.....		2c.	<input type="text" value="820"/>	<input type="text" value="00"/>
2d. Income/loss of foreign parent and foreign subsidiaries for worldwide combined filers (attach schedule).....		2d.	<input type="text" value="830"/>	<input type="text" value="00"/>
2e. Income/loss of unitary corporations not included in federal consolidated return (attach schedule).....		2e.	<input type="text" value="840"/>	<input type="text" value="00"/>
2f. Deemed dividends – Water’s Edge filers only (include Schedule WE)....		2f.	<input type="text" value="850"/>	<input type="text" value="00"/>
2g. Federal capital loss carry-over utilized on federal return. Include Schedule D		2g.	<input type="text" value="870"/>	<input type="text" value="00"/>
2h. All of your other additions. Include a detailed breakdown		2h.	<input type="text" value="880"/>	<input type="text" value="00"/>
Add lines 2a through 2h and enter the result. This is the total of your additions.....		2.	<input type="text" value="890"/>	<input type="text" value="00"/>
3. Reductions				
3a. IRC Section 243 dividend received deduction.....		3a.	<input type="text" value="900"/>	<input type="text" value="00"/>
3b. Nonapportionable income (include a detailed breakdown)		3b.	<input type="text" value="910"/>	<input type="text" value="00"/>
3c. Montana recycling deduction (include Form RCYL).....		3c.	<input type="text" value="920"/>	<input type="text" value="00"/>
3d. Income/loss of nonunitary corporations included in federal consolidated return (attach schedule).....		3d.	<input type="text" value="930"/>	<input type="text" value="00"/>
3e. Income/loss of 80/20 companies – Water’s Edge filers only (attach schedule).....		3e.	<input type="text" value="940"/>	<input type="text" value="00"/>
3f. Capital loss incurred in current year. Include federal Schedule D		3f.	<input type="text" value="950"/>	<input type="text" value="00"/>
3g. All of your other reductions. Include a detailed breakdown		3g.	<input type="text" value="960"/>	<input type="text" value="00"/>
Add lines 3a through 3g and enter the result. This is the total of your reductions.....		3.	<input type="text" value="970"/>	<input type="text" value="00"/>
4. Add lines 1 and 2, then subtract line 3 and enter the result. This is your adjusted taxable income....		4.	<input type="text" value="980"/>	<input type="text" value="00"/>

Combined filers with more than one entity with Montana activity must use Schedule K-Combined for lines 5 through 10 below. (See instructions)

5. Income apportioned to Montana (multiply line 4 x <input type="text" value="1000"/> % from Schedule K, line 8).....		5.	<input type="text" value="990"/>	<input type="text" value="00"/>
6. Enter the income that you allocated directly to Montana. Include a detailed breakdown		6.	<input type="text" value="1010"/>	<input type="text" value="00"/>
7. Montana taxable income before net operating loss (add lines 5 and 6 or enter amount reported on line 4).....		7.	<input type="text" value="1020"/>	<input type="text" value="00"/>
If line 7 is a loss, do you wish to forgo the net operating loss carry-back provision? <input type="checkbox"/> Yes <input type="checkbox"/> No			<input type="text" value="1030"/>	
Note: If you have reported a loss on line 7 and have not marked either box, the loss must be carried back first.				
8. Enter your Montana net operating loss carried over to this period.....		8.	<input type="text" value="1040"/>	<input type="text" value="00"/>
Use Schedule NOL of Form CIT on page 14 to calculate your net operating loss carryover.				
9. Subtract line 8 from line 7 and enter the result here. This is your Montana taxable income.		9.	<input type="text" value="1050"/>	<input type="text" value="00"/>
10. Multiply line 9 by 6.75% (or line 9 by 7% if you have a valid Water’s Edge election). This is your Montana tax liability. (This amount cannot be less than the minimum tax liability of \$50.).....		10.	<input type="text" value="1060"/>	<input type="text" value="00"/>

Mark this box if you are calculating your tax liability using the Alternative Tax method (please see the Form CIT instructions before checking this box).

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



23EP0301

Computation of Montana Taxable Income and Net Amount Due (continued)

Table with 11 columns: Line number, Description, Sub-line, Amount, and Balance. Includes sections for Payments (12a-12g), Penalty (19a-19b), and Total Amount Due (20a-20b). Total amount due is 1280.

Direct Deposit

Your Refund section with fields for RTN#, ACCT#, and checkboxes for Checking, Savings, and account location.

Under penalties of false swearing, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of Officer, Date, Printed Name and Title, Telephone Number fields.

Print/Type Preparer's Name, Preparer's Signature, Date, PTIN, Firm's Name, Firm's Address, Telephone Number, Firm's FEIN fields.

May the DOR discuss this tax return with your tax preparer? Yes No 780

Please mail your completed Form CIT to: Montana Department of Revenue, PO Box 8021, Helena, MT 59604-8021



20EP0401

Schedule K - Apportionment Factors for Multi-State Taxpayers

Enter dollar values in columns A and B. Enter percentages in column C.

For combined filers, also complete Schedule-K Combined (See instructions)

	A. Everywhere	B. Montana	C. Factor
1. Property Factor: Enter average values for real and tangible personal property.			
1a. Land.....1a.	100	110	00
1b. Buildings.....1b.	120	130	00
1c. Machinery.....1c.	140	150	00
1d. Equipment.....1d.	160	170	00
1e. Furniture and fixtures.....1e.	180	190	00
1f. Leases and leased property.....1f.	200	210	00
1g. Inventories.....1g.	220	230	00
1h. Depletable assets.....1h.	240	250	00
1i. Supplies and other.....1i.	260	270	00
1j. Property of foreign subs included in combined group.....1j.	280	290	00
1k. Property of unconsolidated subs included in combined group.....1k.	300	310	00
1l. Property (pro-rata share) of pass-throughs included in group.....1l.	320	330	00
1m. Multiply amount of rents by 8 and enter result.....1m.	340	350	00
Total Property Value - add lines 1a through 1m	360	370	00
Divide the total in column B by the total in column A. Multiply that result by 100. This is your property factor.			1. 380 %
2. Payroll Factor:			
2a. Compensation of officers.....2a.	390	400	00
2b. Salaries and wages.....2b.	410	420	00
Payroll included in:			
2c. Costs of goods sold.....2c.	430	440	00
2d. Other deductions.....2d.	450	460	00
2e. Payroll of foreign subs included in combined group.....2e.	470	480	00
2f. Payroll of unconsolidated subs included in combined group.....2f.	490	500	00
2g. Payroll (pro-rata share) of pass-throughs included in group.....2g.	510	520	00
Total Payroll Value - add lines 2a through 2g	530	540	00
Divide the total in column B by the total in column A. Multiply that result by 100. This is your payroll factor.			2. 560 %
3. Gross Receipts Factor: Montana Sources Sales on Market Basis			
3a. Gross receipts, less returns and allowances.....3a.	560	00	
3b. Receipts delivered or shipped to Montana purchasers:			
(1) Shipped from outside Montana.....3b.(1)		570	00
(2) Shipped from within Montana.....3b.(2)		580	00
3c. Receipts shipped from Montana to:			
(1) United States government.....3c.(1)		590	00
(2) Purchasers in a state where the taxpayer is not taxable.....3c.(2)		600	00
3d. Receipts other than receipts of tangible personal property (for example, service income).....3d.		610	00
3e. Net gains reported on federal Schedule D and federal Form 4797.....3e.	620	630	00
3f. Other gross receipts (rents, royalties, interest, etc.).....3f.	640	650	00
3g. Receipts of foreign subs included in combined group.....3g.	660	670	00
3h. Receipts of unconsolidated subs included in combined group.....3h.	680	690	00
3i. Receipts (pro-rata share) of pass-throughs included in group.....3i.	700	710	00
3j. Less: All intercompany transactions.....3j.	720	730	00
Total Receipts Value - add lines 3a through 3j	740	750	00
Divide the total in column B by the total in column A. Multiply that result by 100. This is your receipts factor.			3. 760 %
4. For periods beginning after June 30, 2021 enter the amount reported on line 3. (Otherwise, leave blank).....4.			765 %
5. Add the percentages on lines 1, 2, 3, and 4 in column C. This is the sum of your factors.....5.			770 %
6. Divide the total percentage on line 5, column C, by the number of factors that can be included in the calculation. If a property, payroll or receipts factor is 0%, it is included in the calculation for line 5 if there is a value in Column A. (See instructions) Enter the results here and also on Form CIT, page 3, line 5. This is your apportionment factor.....6.			780 %



EP0501*

Schedule M - Affiliated Entities

Complete the schedules below if your corporation has an affiliated relationship with another business entity. Please note that all schedules must be completed if your corporation is a member of a U.S. consolidated group and has affiliated relationships with other business entities.

1. Members of a U.S. Consolidated Group

Include your information in the following schedule for all members of your U.S. consolidated group. If additional space is needed, attach another copy of the Schedule M for this section. Federal Form 851 is not an acceptable substitution for this section.

Table with columns A through G: Federal Employer Identification Number (FEIN), Name of affiliate/subsidiary/parent corporation, Percentage of ownership, Considered a Disregarded Entity?, Included in this Montana unitary filing?, Have any activities in Montana?, Mark if filing Montana Form CIT separate from this unitary filing.



Schedule M - Affiliated Entities (continued)

Complete the schedules below if your corporation has an affiliated relationship with another business entity. Please note that all schedules must be completed if your corporation is a member of a U.S. consolidated group and has affiliated relationships with other business entities.

2. Affiliated Entities

Include information in the following schedule for all business entities that are not included in the U.S. consolidated group; i.e., partnerships, limited liability companies, foreign disregarded entities, foreign subsidiaries owned greater than 50%, or unconsolidated subsidiaries owned greater than 50%. Include entities that are owned by your corporation and entities that are owned by all members of your U.S. consolidated group. If additional space is needed, attach another copy of the Schedule M for this section.

Table with 6 columns: A (Federal Employer Identification Number (FEIN)), B (Name of entity), C (Percentage of ownership), D (Included in this Montana unitary filing? Yes No), E (Have any activities in Montana? Yes No), F (Type of entity, i.e., foreign subsidiary, unconsolidated subsidiary, partnership, LLC, LLP, DER). Row 1 contains values: 170, 180, 190, 200, 210, 220.



EP0701

Schedule M - Affiliated Entities (continued)

Complete the schedules below if your corporation has an affiliated relationship with another business entity. Please note that all schedules must be completed if your corporation is a member of a U.S. consolidated group and has affiliated relationships with other business entities.

3. Foreign Parent and Affiliated Entities

If you are owned directly or indirectly greater than 50% by a corporation incorporated in a foreign country, provide the name of the foreign parent and any foreign subsidiaries owned greater than 50% by the foreign parent. If additional space is needed, attach another copy of the Schedule M for this section.

A Federal Employer Identification Number (FEIN) (if applicable)	B Name of entity	C Percentage of ownership	D Included in this Montana unitary filing?	E Have any activities in Montana?	F Type of entity, i.e., foreign subsidiary, foreign partnership, foreign disregarded entity
			Yes No	Yes No	
230	240	250	260	270	280



Schedule C - Tax Credits

Type of Credit	Column A Current Year Earned	Column B Total Available	Column C Current Year Applied
Nonrefundable Credits			
1. Montana Dependent Care Assistance Credit.....1.		140 00	150 00
2. Montana Recycle Credit (include Form RCYL).....2.	160 00	170 00	180 00
3. Alternative Energy Production Credit.....3.		200 00	210 00
4. Contractor's Gross Receipts Tax Credit (include supporting schedule).....4.	220 00	230 00	240 00
CGR Account ID <input type="text" value="245"/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> C G R			
5. Infrastructure Users Fee Credit (include Form IUFC).....5.	250 00	260 00	270 00
6. Qualified Endowment Credit (include Form QEC).....6.	280 00	290 00	300 00
7. Historical Buildings Preservation Credit (include federal Form 3468).....7.	310	320 00	330 00
8. Increase Research and Development Activities Credit.....8.		340 00	350 00
9. Mineral and Coal Exploration Incentive Credit.....9.		370 00	380 00
10. Empowerment Zone Credit.....10.		400 00	410 00
11. Biodiesel Blending and Storage Credit.....11.		430 00	440 00
12. Geothermal System Credit.....12.	XXXXXXXXXXXX99	460 00	470 00
13. Innovative Educational Program Credit.....13.	480 00	490 00	500 00
Credit Confirmation Code <input type="text" value="505"/> <input type="text" value=""/>			
14. Student Scholarship Organization Credit.....14.	510 00	520 00	530 00
Credit Confirmation Code <input type="text" value="535"/> <input type="text" value=""/>			
15. Apprenticeship Tax Credit.....15.	540 00	550 00	560 00
16. Trades Education and Training Tax Credit.....16.	570 00	580 00	590 00
17. MEDIA Credit.....17.	600 00	610 00	620 00
UCRN <input type="text" value="595"/> <input type="text" value=""/>			
18. Jobs Growth Incentive Credit. Include Form JGI.....18.	621 00	622 00	623 00
Credit Certificate Number <input type="text" value="624"/> <input type="text" value=""/>			
19. Add lines 1 through 18 and enter the result. This is your total nonrefundable credits.....19.	630 00	640 00	650 00
Refundable Credits			
20. Unlocking Public Lands Credit.....20.	660 00	670 00	680 00
21. Enter the amount from Line 20. This is your total refundable credits.....21.	690 00	700 00	710 00
Tax Credits Recapture			
22. Qualified Endowment Credit Recapture.....22.			720 00
23. Historical Buildings Preservation Credit Recapture.....23.			730 00
24. Biodiesel Blending and Storage Credit Recapture.....24.			740 00
25. Add lines 22 through 24 and enter the result. This is your total recapture of tax credits.....25.			750 00
26. Add totals of lines 19 and 21; then subtract line 25. Enter the result here. This is the total of your credits. Enter the total in column C on Form CIT, page 4, line 13.....26.	760 00	770 00	780 00

To receive these credits, you will have to include this Schedule C and the applicable credit forms or other required information.
For combined filers, Column C is obtained from Schedule K-Combined on page 12, line (7o).



23EP0901

**Schedule K-Combined for Montana Form CIT
Separate Corporation Calculations**

1. Property Factor (Enter average values for real and tangible personal property)

- 1a. Land.....1a.
- 1b. Buildings.....1b.
- 1c. Machinery.....1c.
- 1d. Equipment.....1d.
- 1e. Furniture and fixtures.....1e.
- 1f. Leases and leased property.....1f.
- 1g. Inventories.....1g.
- 1h. Depletable assets.....1h.
- 1i. Supplies and other.....1i.
- 1j. Property of foreign subs included in combined group.....1j.
- 1k. Property of unconsolidated subs included in combined group.....1k.
- 1l. Property (pro-rata share) of pass-through entities included in combined group.....1l.
- 1m. Multiply amount of rents by 8 and enter result.....1m.
- 1n. Total Montana average property (Add lines 1a through 1m above).....1n.
- 1o. Total Everywhere average property
(Enter in each column the total of lines 1a through 1m in the Everywhere column.).....1o.
- 1p. Separate entity Property Factor (Divide line 1n by line 1o and multiply the result by 100.).....1p.
- 1q. Total Property Factor (Add columns on line 1p.).....1q.

A	Montana Separate Corporation Activity		B	C
	Everywhere Activity *	Corporation Name		
	400			
	410	EIN	FEIN	
			Grand Total of Montana Columns*	
	100	420	890	
	110	430	900	
	120	440	910	
	130	450	920	
	140	460	930	
	150	470	940	
	160	480	950	
	170	490	960	
	180	500	970	
	190	510	980	
	200	520	990	
	210	530	1000	
	220	540	1010	
		550	1020	
	230			
		560	%	%
				1230 %

2. Payroll Factor

- 2a. Compensation of officers.....2a.
- 2b. Salaries and wages.....2b.
- Payroll included in:
- 2c. Costs of goods sold.....2c.
- 2d. Other deductions.....2d.
- 2e. Payroll of foreign subs included in combined group.....2e.
- 2f. Payroll of unconsolidated subs included in combined group.....2f.
- 2g. Payroll (pro-rata share) of pass-through entities included in combined group.....2g.
- 2h. Total Montana payroll (Add lines 2a through 2g above.).....2h.
- 2i. Total Everywhere payroll
(Enter in each column the total of lines 2a through 2g in the Everywhere column.).....2i.
- 2j. Separate entity Payroll Factor (Divide line 2h by line 2i and multiply the result by 100.).....2j.
- 2k. Total Payroll Factor (Add columns on line 2j.).....2k.

	240	570	1030	
	250	580	1040	
	260	590	1050	
	270	600	1060	
	280	610	1070	
	290	620	1080	
	300	630	1090	
		640	1100	
	310			
		650	%	%
				1240 %

* Please include the amounts in columns A and B on Schedule K.

**Schedule K-Combined for Montana Form CIT
Separate Corporation Calculations (continued)**

3. Receipts Factor

- 3a. Gross receipts, less returns and allowances..... 3a.
- 3b. Receipts delivered or shipped to Montana purchasers:
 - (1) Shipped from outside Montana..... 3b.(1)
 - (2) Shipped from within Montana..... 3b.(2)
- 3c. Receipts shipped from Montana to:
 - (1) United States government..... 3c.(1)
 - (2) Purchasers in a state where the taxpayer is not taxable..... 3c.(2)
- 3d. Receipts other than receipts of tangible personal property (i.e., service income)... 3d.
- 3e. Net gains reported on federal Schedule D and federal Form 4797..... 3e.
- 3f. Other gross receipts (rents, royalties, interest, etc.)..... 3f.
- 3g. Receipts of foreign subs included in combined group..... 3g.
- 3h. Receipts of unconsolidated subsidiaries included in combined group..... 3h.
- 3i. Receipts (pro-rata share) of pass-through entities included in combined group..... 3i.
- 3j. Less: All intercompany transactions..... 3j.
- 3k. Total Montana receipts (Add lines (3a) through (3j).)..... 3k.
- 3l. Total Everywhere receipts
(Enter in each column the total of lines (3a) through (3j) in the Everywhere column.)... 3l.

Everywhere Activity*	Montana Separate Corporation Activity		Grand Total of Montana Columns*	C Factor
	Corporation Name	Corporation Name		
	FEIN	FEIN		
3a.	320			
3b.(1)	660		1110	
3b.(2)	670		1120	
3c.(1)	680		1130	
3c.(2)	690		1140	
3d.	700		1150	
3e.	330	710	1160	
3f.	340	720	1170	
3g.	350	730	1180	
3h.	360	740	1190	
3i.	370	750	1200	
3j.	380	760	1210	
3k.		770	1220	
3l.	390			

- 3m. Separate entity Receipts Factor
(Divide line (3k) by line (3l) and multiply the result by 100.)..... 3m.
- 3n. Total Receipts Factor (Add columns from line (3m).)..... 3n.

	780	%	%	1250	%
--	-----	---	---	------	---

4. Double Weighted Receipts Factors

- 4a. For periods beginning after June 30, 2021 enter the amount reported on line 3m
(For periods beginning before July 1, 2021 leave blank)..... 4a.
- 4b. Total Double Weighted Receipts Factor (Add columns from line (4a).)..... 4b.

	785	%	%	1255	%
--	-----	---	---	------	---

- 5. Sum of the Factors (Add lines (1p), (2j), (3m), and (4a) for each corporation.)..... 5.

	790	%	%		
--	-----	---	---	--	--

6. Apportionment Factor

- 6a. Separate entity Apportionment Factor (Divide line 5 by the number of factors that can be included in the calculation. See instructions.)..... 6a.
- 6b. Total Apportionment Factor (Add columns on line (6a) and enter here.
This should equal page 5, line 6 of the Schedule K.)..... 6b.

	800	%	%		
				1260	%

* Please include the amounts in columns A and B on Schedule K

**Schedule K-Combined for Montana Form CIT
Separate Corporation Calculations (continued)**

7a. Montana adjusted taxable income. (Enter the amount from CIT, page 3, line 4.) 7a.
 7b. Income apportioned to Montana. (In each column, multiply line (6a) on page 11 by line (7a).)..... 7b.
 7c. Total income apportioned to Montana. (Add columns on line (7b). Enter this amount on line 5, page 3 of the CIT.)..... 7c.
 7d. Income directly allocated to Montana 7d.
 7e. Total income directly allocated to Montana. (Add columns on line (7d). Enter this amount on line 6, page 3 of the CIT.)... 7e.
 7f. Montana taxable income before net operating loss. (In each column, add lines (7b) and (7d).)..... 7f.
 7g. Total Montana taxable income. (Add columns on line (7f). Enter this amount on line 7, page 3 of the CIT.)..... 7g.
 7h. Montana net operating loss (NOL) carryover on a separate entity basis 7h.
 7i. Total NOL carryover (Add columns on line (6h). Enter this amount on line 8, page 3 of the CIT.) 7i.
 7j. Montana taxable income (Subtract line (7h) from line (7f) and enter result.) 7j.
 7k. Total Montana Taxable Income (Add all columns on line (7j). Enter this amount on line 9, page 3 of the CIT.)..... 7k.
 7l. Montana tax liability (Multiply (7j) by 6.75%, or 7% if you have a valid water's edge election.) If (7j) is a loss, enter \$50 7l.
 7m. Total Montana tax liability (Add all columns on line (7l). Enter this amount on line 10, page 3 of the CIT.) 7m.
 7n. Montana credits on a separate entity basis (Attach applicable form(s).)..... 7n.
 7o. Total Montana Credits. (Add columns on line (7n).) Enter this amount on line 27, Schedule C..... 7o.

Montana Separate Corporation Activity		B
Corporation Name	Corporation Name	Grand Total of Montana Columns*
FEIN	FEIN	
810		
820		
		1221
830		
		1222
840		
		1223
850		
		1224
860		
		1225
870		
		1226
880		
		1227

*These totals must be reported on lines 5 through 10 on page 3 of the CIT.

**Schedule NOL for Montana Form CIT
Net Operating Loss (NOL) Deduction**

		Montana Separate Corporation NOL Application			
		Column A	Column B	Column A	Column B
1. Corporation name	<input type="text" value="100"/>				
2. Corporation's Federal Tax Identification Number (FEIN)	<input type="text" value="110"/> <input type="text" value="120"/>				
3. Date of merger/consolidation (See instructions)					
4. 2020 Montana separate corporation taxable income before NOL deduction (enter line 6(f) from Schedule K-Combined)			130		
Carryforward deductions					
5. Taxable period of NOL	<input type="text" value="MMDD"/> <input type="text" value="140"/>				
5a. Total NOL for taxable period	5a. <input type="text" value="150"/>				
5b. NOL applied to periods other than to 2020	5b. <input type="text" value="160"/>				
5c. NOL carryforward to 2020	5c. <input type="text" value="170"/>		180		
5d. NOL expired due to 7-year carryforward	5d. <input type="text" value="190"/>				
5e. NOL available for carryforward	5e. <input type="text" value="200"/>				
6. Taxable period of NOL	<input type="text" value="MMDD"/> <input type="text" value="210"/>				
6a. Total NOL for taxable period	6a. <input type="text" value="220"/>				
6b. NOL applied to periods other than to 2020	6b. <input type="text" value="230"/>				
6c. NOL carryforward to 2020	6c. <input type="text" value="240"/>		250		
6d. NOL available for carryforward	6d. <input type="text" value="260"/>				
7. Taxable period of NOL	<input type="text" value="MMDDYYYY"/>				
7a. Total NOL for taxable period	7a. <input type="text"/>				
7b. NOL applied to periods other than to 2020	7b. <input type="text"/>				
7c. NOL carryforward to 2020	7c. <input type="text"/>				
7d. NOL available for carryforward	7d. <input type="text"/>				
8. Taxable period of NOL	<input type="text" value="MMDDYYYY"/>				
8a. Total NOL for taxable period	8a. <input type="text"/>				
8b. NOL applied to periods other than to 2020	8b. <input type="text"/>				
8c. NOL carryforward to 2020	8c. <input type="text"/>				
8d. NOL available for carryforward	8d. <input type="text"/>				
9. Taxable period of NOL	<input type="text" value="MMDDYYYY"/>				
9a. Total NOL for taxable period	9a. <input type="text"/>				
9b. NOL applied to periods other than to 2020	9b. <input type="text"/>				
9c. NOL carryforward to 2020	9c. <input type="text"/>				
9d. NOL available for carryforward	9d. <input type="text"/>				
10. Taxable period of NOL	<input type="text" value="MMDDYYYY"/>				
10a. Total NOL for taxable period	10a. <input type="text"/>				
10b. NOL applied to periods other than to 2020	10b. <input type="text"/>				
10c. NOL carryforward to 2020	10c. <input type="text"/>				
10d. NOL available for carryforward	10d. <input type="text"/>				
11. Taxable period of NOL	<input type="text" value="MMDDYYYY"/>				
11a. Total NOL for taxable period	11a. <input type="text"/>				
11b. NOL applied to periods other than to 2020	11b. <input type="text"/>				
11c. NOL carryforward to 2020	11c. <input type="text"/>				
11d. NOL available for carryforward	11d. <input type="text"/>				
12. Total separate corporation NOL carryforward to 2020. Add column B lines 5 through 11	12. <input type="text"/>		270		

**Schedule NOL for Montana Form CIT
Net Operating Loss (NOL) Deduction (continued)**

Enter corporate information from previous page.

Corporation name
Corporation's Federal Tax Identification Number (FEIN)

Montana Separate Corporation NOL Application

Corporation Name		Corporation Name	
FEIN		FEIN	
Column A	Column B	Column A	Column B
	280		
AMENDED RETURNS - carryback deductions			
13. Taxable period of NOL	<input type="text" value="MMDDYYYY"/> 290		
13a. Total NOL for taxable period	300		
13b. NOL applied to periods other than to 2020	310		
13c. NOL carryback to 2020 (Total carryback for all entities limited to \$500,000)	320	330	
13d. Net NOL for taxable period	340		
14. Taxable period of NOL	<input type="text" value="MMDDYYYY"/>		
14a. Total NOL for taxable period			
14b. NOL applied to periods other than to 2020			
14c. NOL carryback to 2020 (Total carryback for all entities limited to \$500,000)			
14d. Net NOL for taxable period			
15. Taxable period of NOL	<input type="text" value="MMDDYYYY"/>		
15a. Total NOL for taxable period			
15b. NOL applied to periods other than to 2020			
15c. NOL carryback to 2020 (Total carryback for all entities limited to \$500,000)			
15d. Net NOL for taxable period			
16. Total separate corporation NOL carryback to 2020	350		
17. Total separate corporation NOL carryforward to 2020 from previous page, line 12	360		
18. Total separate corporation NOL deduction for 2020 (add lines 16 and 17 and enter total on page 3, line 8 - for combined filers, enter on line 6(h) of Schedule K-Combined)	370		

Schedule WE - Water's Edge Schedule

Part I. Water's Edge Election

1. Enter the tax periods for which you received an approval letter from the department for a valid Water's Edge Election:

Part II. Calculation of Deemed Dividends Received from 80/20 Companies

1. Enter the positive federal line 30 income of your 80/20 companies. (See instructions).....	1.	110	00
2. Enter your consolidated 1120 positive federal line 30 income. (See instructions).....	2.	120	00
3. Divide the amount on line 1 by the amount on line 2. This is the ratio of your 80/20 positive income to your consolidated 1120 positive income.	3.	130	
4. Enter the tax liability, after tax credits, which you reported on your consolidated 1120.....	4.	140	00
5. Multiply line 3 by line 4. This is the federal tax liability associated with your 80/20 companies	5.	150	00
6. Enter the section 78 gross-up received by your 80/20 companies (include schedule)	6.	160	00
7. Subtract the total of lines 5 and 6 from line 1; enter the result. This is the after-tax net income of your 80/20 companies. If the result is less than zero, enter zero.....	7.	170	00
8. Enter the after-tax net income of all unconsolidated 80/20 companies	8.	180	00
9. Add lines 7 and 8; enter the result. This is your total after-tax net income.....	9.	200	00
10. Multiply line 9 by 20% and enter the result here and on line 2(f) of Form CIT, page 3. This is your 20% deemed dividend.	10.	210	00

Part III. List your 80/20 Companies. Include a separate sheet if necessary.

1. Name	2. FEIN	3. Income/Loss Reported on Line 28	4. Income/Loss Reported on Line 30	5. Dividends Received
220/230	240	250	00	260
			00	00
			00	00
			00	00
			00	00
			00	00
			00	00
			00	00
Totals	270		275	280