

SENATE BILL NO. 212

INTRODUCED BY S. SALES

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING PENALTY AND INTEREST PROVISIONS FOR CERTAIN TAXPAYERS WHO RECEIVE AN EXTENSION FOR FILING INDIVIDUAL INCOME TAX RETURNS; AND AMENDING SECTION 15-30-2604, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 15-30-2604, MCA, is amended to read:

"15-30-2604. Time for filing -- extensions of time. (1) (a) Except as provided in subsection (1)(b), a return must be made to the department on or before the 15th day of the 4th month following the close of the taxpayer's fiscal year, or if the return is made on the basis of the calendar year, then the return must be made on or before April 15 following the close of the calendar year.

(b) (i) If the due date of the return falls on a holiday that defers a filing date as recognized by the internal revenue service and that is not observed in Montana, the return may be made on the first business day after the holiday.

(ii) The department may extend filing dates and defer or waive interest, penalties, and other effects of late filing for a period not exceeding 1 year for taxpayers affected by a federally declared disaster or a terroristic or military action recognized for federal tax purposes under 26 U.S.C. 7508A.

(2) The return must set forth those facts that the department considers necessary for the proper enforcement of this chapter. An affidavit or affirmation must be attached to the return from the persons making the return verifying that the statements contained in the return are true. Blank forms of return must be furnished by the department upon application, but failure to secure the form does not relieve the taxpayer of the obligation to make a return required under this chapter. A taxpayer liable for a tax under this chapter shall pay a minimum tax of \$1.

(3) (a) Subject to subsections (3)(b) and (3)(c), a taxpayer is allowed an automatic extension of time for filing the taxpayer's return of up to 6 months following the date prescribed for filing of the tax return.

(b) (i) Except as provided in subsection (3)(c), on or before the due date of the return, the taxpayer shall pay by estimated tax payments, withholding tax, or a combination of estimated tax payments and withholding tax

1 90% of the current year's tax liability or 100% of the previous year's tax liability.

2 (ii) The remaining tax, penalty, and interest of the current year's tax liability not paid under subsection
3 ~~(3)(b)(ii)~~ (3)(b)(i) must be paid when the return is filed. Penalty and interest must be added to the tax due as
4 provided in 15-1-216.

5 (c) A taxpayer that has a tax ~~liability due~~ of \$200 or less for the current year, after accounting for taxes
6 withheld, estimated payments, and refundable credits, may pay the entire amount of the tax, without penalty or
7 interest under 15-1-216, on or before the due date of the return under subsection (3)(a). If the tax is not paid on
8 or before the due date of the return under subsection (3)(a), penalty and interest must be added to the tax due
9 as provided in 15-1-216 from the original due date of the return.

10 (4) The department may grant an additional extension of time for the filing of a return whenever in its
11 judgment good cause exists.

12 (5) Except as provided in subsection (3)(c), the extension of time for filing a return is not an extension
13 of time for the payment of taxes."

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15 COORDINATION SECTION. SECTION 2. COORDINATION INSTRUCTION. IF EITHER HOUSE BILL NO. 379 OR
16 SENATE BILL NO. 92, OR BOTH, AND [THIS ACT] ARE PASSED AND APPROVED, THEN [THIS ACT] IS VOID.

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