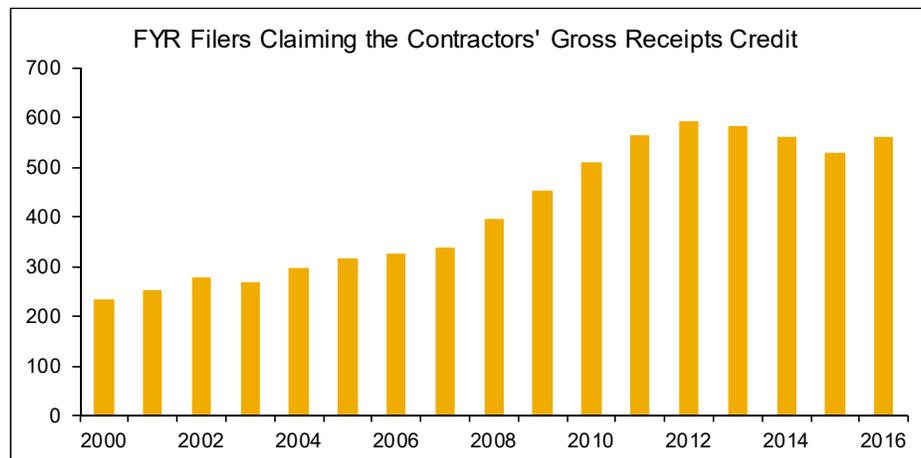
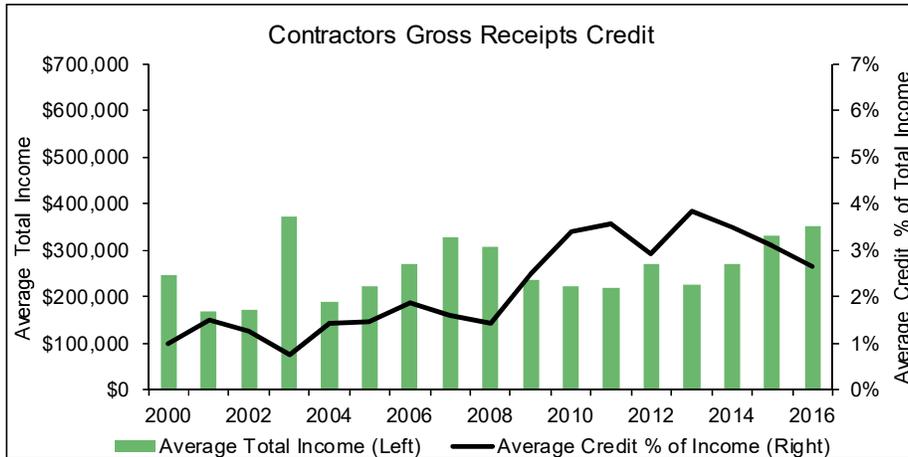


Contractor's Gross Receipts Credit: [15-50-207, MCA](#)

Contractors are required to pay a license fee equal to 1% of the gross receipts from government contracts during the year for which the license is issued. The agency or prime contractor withholds the fee from payments to the prime contractor or subcontractors. Contractors may use the amount of gross receipts tax paid as a credit against the contractor's individual or corporate income tax liability. The credit may be carried forward a maximum of five years.



In 2016, 563 full year resident taxpayers claimed this credit for a total credit amount of \$5.3 million and an average credit amount of \$9,431. The first chart above indicates that the average total income of filers who claim this credit has grown recently to above \$300,000 and the credit has varied around 3% of total income.