



## 2011 Montana Fiduciary Estimated Income Tax Worksheet

Keep this worksheet for your records

To estimate your 2011 income tax due, you may use your 2010 income tax due from Form FID, line 36. If you choose this method, skip lines 1 through 8 and enter your 2010 tax due on line 9b below, otherwise begin with line 1.

1. Enter your 2011 estimated Montana adjusted total income here .....	1.	
2. Enter the estimated amount of your:		
a. 2011 expected income distribution deduction .....	2a.	
b. 2011 exemption .....	2b.	2130
Add lines 2a and 2b and enter the result here .....	2.	
3. Subtract line 2 from line 1 and enter the result here. This is your 2011 estimated taxable income. If the result is zero or less, stop here. You are not subject to estimated tax payments in 2011 .....	3.	
4. Calculate your estimated 2011 income tax:		
a. Multiply the amount on line 3 using the tax table on the back of this form and enter the result here .....	4a.	
b. If you have net capital gains included in your estimated Montana adjusted gross income on line 1, multiply the net capital gains amount (less the amount of net capital gains distributed to a beneficiary) by 2% (0.02) and enter the result here .....	4b.	
Subtract line 4b from 4a and enter the result here. This is your 2011 estimated resident tax after capital gains tax credit .....	4.	
5. Enter your 2011 estimated nonrefundable single-year credits and carryover credits here .....	5.	
6. Subtract line 5 from line 4 and enter the result here. This is your 2011 estimated total tax after nonrefundable credits .....	6.	
7. Enter your estimated 2011 recapture taxes here .....	7.	
8. Add lines 6 and 7 and enter the result here. This is your 2011 estimated total tax due .....	8.	
9. a. Multiply line 8 by 90% (0.90) and enter the result here .....	9a.	
b. Enter 100% of the tax due shown on your 2010 income tax return Form FID, line 36 .....	9b.	
Enter the smaller of line 9a or 9b. If you are unable to compute line 9a, enter the amount from line 9b .....	9.	
10. a. Enter the amount of your estimated Montana income tax withheld in 2011. (Examples include withholding on wages, pensions, annuities, pass-through entities, mineral royalty, etc.) .....	10a.	
b. Enter the amount of your 2010 overpayment that was applied to your 2011 income tax .....	10b.	
c. Enter the amount of your 2011 estimated refundable credits. This includes your elderly homeowner/renter credit, film employment production credit, film qualified expenditure credit and Insure Montana credit .....	10c.	
Add lines 10a, 10b, and 10c and enter the result here. This is your 2011 estimated payments. .	10.	
11. Subtract line 10 from line 8. If the result is less than \$500, stop here; the estate or trust is not subject to estimated tax payments in 2011. If the result is \$500 or more, subtract line 10 from line 9 and enter the amount here and continue to line 12 .....	11.	

	<b>Payment Due Dates</b>	a. April 15, 2011	b. June 15, 2011	c. Sept. 15, 2011	d. Jan 15, 2012
12. Divide the amount on line 11 by four (4) and enter the result in columns a, b, c and d .....	12.				
13. Enter your annualized income installment amount from Form ESA, line 29 .....	13.				
14. Enter the amount from line 12 or line 13 whichever applies. <b>This is your installment payment due for each period.</b>	14.				

If the payment date falls on a weekend or a holiday, your payment is due on the next business day.

<b>2010 Montana Fiduciary Income Tax Table</b>				
<b>If Your Taxable Income Is More Than</b>	<b>But Not More Than</b>	<b>Multiply Your Taxable Income By</b>	<b>And Subtract</b>	<b>This Is Your Tax</b>
\$0	\$2,600	1% (0.010)	\$0	
\$2,600	\$4,600	2% (0.020)	\$26	
\$4,600	\$6,900	3% (0.030)	\$72	
\$6,900	\$9,400	4% (0.040)	\$141	
\$9,400	\$12,100	5% (0.050)	\$235	
\$12,100	\$15,600	6% (0.060)	\$356	
More Than \$15,600		6.9% (0.069)	\$496	

For Example: Taxable income \$6,800 X 3% (0.030) = \$204; \$204 minus \$72 = \$132 Tax

## General Information

### What is the purpose of Form ESW-FID?

The purpose of this form is to assist the fiduciary in calculating the 2011 estimated income tax. Estimated tax payments are a method used to pay tax on income that is not subject to withholding. Examples of income that may not be subject to withholding includes interest, dividends, rents, capital gains, royalties, etc.

### Is the estate or trust required to make estimated tax payments?

A fiduciary for an estate or trust is required to make estimated tax payments in 2011 if the following conditions apply:

- The net income tax liability on the fiduciary's taxable income for the 2010 tax year is \$500 or more.
- The fiduciary expects to owe (after subtracting any Montana income tax withheld, Montana mineral royalty tax withheld and tax credits) \$500 or more for the 2011 tax year.

If the estate or trust is required to make estimated tax payments, these payments will be the smaller of:

- 100% of the 2010 Montana tax due reported on Form FID-3, line 36, or
- 90% of the 2011 Montana income tax due.

### Who is not required to make estimated payments?

The estate or trust is not required to make estimated tax payments in 2011 if it meets one of the following criteria:

- The 2011 income tax due after credits and withholding is less than \$500.
- The 2010 tax period covered 12 months and the Montana tax due was zero.
- The estate or trust was not required to file a 2010 Montana income tax return.

### When are the estimated tax payments due?

When the fiduciary files the estate's or trust's tax return on a calendar year basis, it may prepay all of the estimated taxes for 2011 by April 15, 2011, or may pay them in four equal amounts that are due on the dates listed below.

First payment	-	due April 15, 2011
Second payment	-	due June 15, 2011
Third payment	-	due Sept 15, 2011
Fourth payment	-	due Jan 15, 2012

If any of these installment dates fall on a weekend or a holiday, the payment is due on the next business day.

If the fiduciary files the estate's or trust's tax return on a fiscal year basis, the payment dates are the 15th day of the fourth, sixth, and ninth months of the fiscal year and the first month of the following fiscal year.

### What does the fiduciary need to do if the income situation for the estate or trust changes during the year?

If the estate's or trust's tax situation changes during the year, the fiduciary will need to recalculate the estimated tax payments. The remaining installment payments will need to be proportionally changed so that the balance of the estimated payments is paid equally over the remaining installment periods.

### How does the estate or trust determine the amount of estimated withholding that it will have in 2011?

The fiduciary can use the 2011 paycheck or pension check stubs received to date to estimate the amount of withholding that the estate or trust may have in 2011.

### Does a nonresident estate or trust have to make estimated tax payments?

A nonresident trust is required to make estimated tax payments if it expects to owe at least \$500 in Montana income tax after subtracting the Montana withholding paid and credits that it is entitled to.

### The estate or trust did not make estimated tax payments in 2011 and the income tax due is more than \$500. Is the estate or trust subject to any penalties and interest on the underpayment?

Yes it is. The fiduciary is required to pay the income tax liability throughout the year. Payments can be made through employer withholding, installment payments of estimated taxes, or a combination of employer withholding and estimated tax payments.

If the fiduciary did not pay in advance at least 90% of the 2011 income tax liability (after applying credits) or 100% of the 2010 income tax liability (after applying credits), the fiduciary may have to pay interest on the underpayment of the estimated tax.

**Questions?** Please call us toll free at (866) 859-2254 (in Helena, 444-6900).