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Schedule VI – Credit for an Income Tax Liability Paid to Another State or Country

Indicate residency status from Form 2, line 5 Full-year Part-year

File Schedule VI with your Montana Form 2.

Column A (for single, joint, separate, or head of household)

Column B (for spouse when filing separately using filing status 3a)

1	Enter your income sourced and taxable to another state or country that is included in Montana adjusted gross income. If a full year resident, this is the amount included in the total on Form 2, line 41. If a part-year resident, this is the amount included in the total on Schedule IV, line 16.....	1	00	00
2	Enter all income sourced and taxable to the other state or country. This includes the income from line 1 plus all income exempt from Montana income tax (e.g. certain tips) sourced and taxable in the other state or country. Indicate state's abbreviation. <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	2	00	00
3	Enter your income sourced and taxable to Montana. If a full year resident, enter the amount from Form 2, line 41. If a part-year resident, enter the amount from Schedule IV, line 16.....	3	00	00
4	Enter your total income tax liability paid to the other state or country	4	00	00
5	Enter your Montana tax liability. If a full year resident, enter the amount from Form 2, line 48. If a part-year resident, enter the amount from Form 2, line 48a	5	00	00
6	Divide line 1 by line 2. Enter the percentage here, but not more than 100%	6	<input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> %
7	Multiply line 4 by line 6 and enter the result here	7	00	00
8	Divide line 1 by line 3. Enter the percentage here, but not more than 100%	8	<input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> %
9	Multiply line 5 by line 8 and enter the result here	9	00	00
10	Enter here and on Form 2, Schedule V, line 1 the smaller of the amounts reported on lines 4, 7 or 9 above. This is your credit for an income tax paid to another state or country.	10	00	00

- You are not entitled to a Montana tax credit for taxes paid to a foreign country to the extent you claimed these taxes as a foreign tax credit on your federal income tax return.
- If you claim this credit for an income tax paid by your S corporation or partnership, see the instructions for Form 2, Schedule V, line 1 on page 32.
- Your credit is limited to a tax liability paid on income that is also taxed by Montana.
- Your income tax paid includes your share of any excise or franchise taxes paid by your S corporation or partnership if they are imposed on the entity itself and measured by the entity's net income.
- This is a nonrefundable credit and cannot reduce your Montana tax liability below zero.
- This is a nonrefundable single-year credit. No unused credit amount can be carried forward.
- You will need to complete a separate Schedule VI for each state or country to which you have paid an income tax liability. You cannot combine payments on one schedule.
- If you are a part-year resident, you will need to allocate your income on Form 2, Schedule IV before completing Form 2, Schedule VI.

Please note: Beginning with the 2014 tax year, the credit calculation previously made on Schedule VII is now made on Schedule VI.

