



2019 Mobile Home Park Exclusion

[15-31-163, MCA](#)

Name (as it appears on your Montana tax return) _____

Social Security Number -- **OR** Federal Employer Identification Number -

Part I. Partners in a Partnership or Shareholders of an S Corporation

Enter your portion of the mobile home park exclusion here. See instructions. \$ _____

Business Name of Partnership or S Corporation _____ Federal Employer Identification Number -

Part II. Purchaser Information

Name of purchaser _____
Contact person _____
Address _____
Phone _____

Mark the appropriate box indicating the purchaser's type of entity:

- Tenants' or mobile home park residents' association
- Nonprofit organization under section 501(c)(3) of the Internal Revenue Code
- County housing authority created under Title 7, chapter 15, part 21, MCA
- Municipal housing authority created under Title 7, chapter 15, parts 44 and 45, MCA

Part III. Exclusion Computation

1. Total number of lots in the mobile home park when sold.....	1.	<input type="text"/>
2. Capital gains recognized	2.	<input type="text"/>
3. Ordinary income recognized.....	3.	<input type="text"/>
4. Total gain recognized (add lines 2 and 3).....	4.	<input type="text"/>
5. If the number of lots reported on line 1 is more than 50, enter .5 on this line. Otherwise, enter 1 ..	5.	<input type="text"/>
6. Multiply line 4 by line 5 and enter the result. This is your mobile home park exclusion.	6.	<input type="text"/>

Where to Report Your Exclusion

- ▶ Individuals: Form 2, page 4, Montana Subtractions Schedule, line 31.
- ▶ C corporations: Form CIT, line 3g, "Other Reductions."
- ▶ S corporations: Form PTE, line 13e
- ▶ Partnerships: Form PTE, line 13e

If you file your Montana tax return electronically, you do not need to mail this form to us unless we ask you for a copy. When you file electronically, you represent that you have retained the required documents in your tax records and will provide them upon the department's request.



Form MHPE Instructions

Tenants' or mobile home park residents' association

means a group of six or more tenants who reside in a mobile home park, have organized for the purpose of eventual purchase of the mobile home park, have established bylaws of the association, and have obtained the approval vote of at least 51% of the residents of the mobile home park to purchase the mobile home park as defined in [15-31-163, Montana Code Annotated \(MCA\)](#).

Who can claim this exclusion?

An individual, a C corporation, an S corporation, a partnership or a disregarded entity qualifies for the exclusion of all or a portion of the gain recognized.

What information do I have to include with my tax return when I claim this exclusion?

- **Individuals.** If you are filing a paper return, include a copy of Form MHPE with your individual income tax return.
- **C corporations.** If you are filing a paper return, include a copy of Form MHPE with your corporate income tax return.
- **S corporations and partnerships.** If you are filing a paper return, include Form MHPE with your Montana information return Form PTE and include a separate statement identifying each owner and their share.

You need to complete a separate Form MHPE for each source you are receiving the exclusion from. For example, if you are a partner in one partnership that qualifies for this exclusion, and you, as an individual, also qualify for this exclusion, you need to complete two forms.

If you file electronically, you do not need to mail this form to us unless we contact you for a copy.

How do I claim my exclusion when I am a partner or shareholder in a partnership or an S corporation?

The exclusion amount from a partnership or S corporation is passed through to partners or shareholders in the same proportion used to report the partnership's or corporation's income or loss for Montana tax purposes; this amount should be reported to owners on Montana Schedule K-1.

If you received this exclusion from a partnership or S corporation, you need to fill out Part I in its entirety. Your portion of the exclusion can be obtained from the Montana Schedule K-1 that you received from the entity. In addition to reporting your portion of the exclusion, you need to provide the partnership's or S corporation's name and Federal Employer Identification Number.

If you are a partner or shareholder in more than one partnership or S corporation, you need to complete a separate Form MHPE for each entity you are receiving the exclusion from.

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