

1 *Senate* BILL NO. *100*
 2 INTRODUCED BY *Thurmond Louderman Hinnel*
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTIONS
 5 84-4939 AND 84-4940, R.C.M. 1947, RELATING TO ESTIMATED TAX
 6 BY SPECIFYING NO PENALTY PROVISIONS."

7
 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9 Section 1. Section 84-4939, R.C.M. 1947, is amended to
 10 read as follows:

11 "84-4939. Declaration of estimated tax. (1) Every
 12 individual, except farmers, ranchers or stockmen, shall, at
 13 the time prescribed in subsection (3) of this section, make
 14 a declaration of his estimated tax for the taxable year, if
 15 his net income from sources other than wages, salaries,
 16 bonus, or other emolument can reasonably be expected to
 17 equal or exceed his net income from wages, salaries, bonus
 18 or other emolument, which wages, salaries, bonus or other
 19 emolument are subject to withholding.

20 (2) In the declaration required under subsection (1)
 21 of this section the individual shall state:

22 (a) The amount which he estimates as the amount of tax
 23 under section 84-4902 for the taxable year;

24 (b) The amount which he estimates will be withheld
 25 from wages paid by his employer if said individual is an

1 employee.

2 (c) The excess of the amount estimated under
 3 subparagraph (a) over the amount estimated under
 4 subparagraph (b) which excess for purposes of this section
 5 shall be considered the estimated tax for the taxable year.

6 (d) Such other information as may be prescribed in
 7 rules and regulations promulgated by the department.

8 (3) The declaration required under subsection (1) of
 9 this section shall be filed with the department on or before
 10 April fifteenth of the taxable year except that if the
 11 requirements of subsection (1) of this section are first
 12 met:

13 (a) After April first and before October first of the
 14 taxable year the declaration shall be filed on or before
 15 October fifteenth of the taxable year.

16 (b) After October first of the taxable year the
 17 declaration shall be filed on or before February fifteenth
 18 of the succeeding taxable year.

19 Provided that the declaration required to be filed
 20 during 1955 may be filed not later than October 15, 1955 if
 21 the requirements of subsection (1) of this section are
 22 fulfilled at any time prior to October 2, 1955.

23 (4) An individual may make amendments of a declaration
 24 filed during the taxable year under subsection (3) of this
 25 section under rules and regulations prescribed by the

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1 department.

2 (5) If on or before February fifteenth of the
3 succeeding taxable year, the taxpayer files a return for the
4 taxable year for which the declaration is required and pays
5 in full the amount computed on their return as payable then
6 under rules and regulations prescribed by the department.

7 (a) If the declaration is not required to be filed
8 during the taxable year but is required to be filed on or
9 before such February fifteenth, such return shall for the
10 purposes of this section be considered as such declaration;
11 and

12 (b) If the tax shown on the return is greater than the
13 estimated tax shown in a declaration previously made or in
14 the last amendments thereof such return shall for the
15 purposes of this section be considered as the amendment of
16 the declaration permitted by subsection (4) of this section
17 to be filed on or before such February fifteenth.

18 (6) The department shall promulgate rules and
19 regulations governing reasonable extensions of time for
20 filing declarations and paying the estimated tax, except in
21 the case of taxpayers who are abroad, and no such extension
22 shall be for more than six (6) months.

23 (7) If the taxpayer is unable to make his own
24 declaration, the declaration shall be made by a duly
25 authorized agent or by the guardian or other person charged

1 with the care of the person or property of such taxpayer.

2 (8) Any individual who fails to file a declaration of
3 estimated tax as required by this section is not subject to
4 the penalties set forth in 84-4924."

5 Section 2. Section 84-4940, R.C.M. 1947, is amended to
6 read as follows:

7 "84-4940. Installment payments of estimated tax.

8 (1) Estimated tax provided for in section 84-4939 shall be
9 paid as follows:

10 ~~(a)~~ (a) If the declaration is filed on or before April
11 fifteenth of the taxable year the estimated tax shall be
12 paid in two (2) equal installments. The first installment
13 shall be paid at the time of filing of the declaration and
14 the second or last installment shall be paid on October
15 fifteenth of the taxable year:

16 (b) If the declaration is filed after April fifteenth
17 and not after October fifteenth of the taxable year and is
18 not required by subsection (3) of section 84-4939 to be
19 filed on or before April fifteenth of the taxable year the
20 estimated tax shall be paid at the time of filing of the
21 declaration;

22 (c) If the declaration is filed after October
23 fifteenth of the taxable year and is not required by
24 subsection (3) of section 84-4939 to be filed on or before
25 October fifteenth of the taxable year, the estimated tax

1 shall be paid in full at the time of filing of the
2 declaration.

3 (d) If the declaration is filed after the time
4 prescribed in section 84-4939 including cases where
5 extensions of time have been granted paragraphs (b) and (c)
6 of this subsection shall not apply and there shall be paid
7 at the time of such filing all installments of estimated tax
8 which would have been payable on or before such time if the
9 declaration had been filed within the time prescribed in
10 subsection (3) of section 84-4939 and the remaining
11 installments shall be paid at the times at which and in the
12 amounts in which they would have been payable if the
13 declaration had been so filed. Provided that payments
14 required under this section for purposes of the taxable year
15 1955 shall be limited to fifty per cent (50%) of the total
16 estimated tax for 1955.

17 (2) If any amendment of a declaration is filed after
18 April fifteenth and before October fifteenth of the taxable
19 year the remaining installment, if any, shall be ratably
20 increased or decreased as the case may be; to reflect the
21 respective increase or decrease in the estimated tax by
22 reason of such amendment and if any amendment is made after
23 October fifteenth of the taxable year any increase in the
24 estimated tax by reason thereof shall be paid at the time of
25 making such amendment.

1 (3) At the election of the individual any installment
2 of the estimated tax may be paid prior to the date
3 prescribed for its payment.

4 (4) Payment of the estimated tax or any installment
5 thereof shall be considered payment on account of the tax
6 for the taxable year.

7 (5) The application of this section of this act to
8 taxable years of less than twelve (12) months shall be as
9 prescribed in the rules and regulations promulgated by the
10 department.

11 (6) In the application of this section of this act to
12 taxpayers reporting income on a fiscal year basis there
13 shall be substituted for the dates specified therein the
14 months corresponding thereto.

15 (7) An individual who fails to pay an estimated tax as
16 required by this section is not subject to the penalties set
17 forth in 84-4924."

-End-

Approved by Committee
on Taxation

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16 bonus, or other emolument can reasonably be expected to
17 equal or exceed his net income from wages, salaries, bonus
18 or other emolument, which wages, salaries, bonus or other
19 emolument are subject to withholding.

20 (2) In the declaration required under subsection (1)
21 of this section the individual shall state:

22 (a) The amount which he estimates as the amount of tax
23 under section 84-4902 for the taxable year;

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25 from wages paid by his employer if said individual is an

1 employee.

2 (c) The excess of the amount estimated under
3 subparagraph (a) over the amount estimated under
4 subparagraph (b) which excess for purposes of this section
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14 taxable year the declaration shall be filed on or before
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17 declaration shall be filed on or before February fifteenth
18 of the succeeding taxable year.

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22 fulfilled at any time prior to October 2, 1955.

23 (4) An individual may make amendments of a declaration
24 filed during the taxable year under subsection (3) of this
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4 taxable year for which the declaration is required and pays
5 in full the amount computed on their return as payable then
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7 (a) If the declaration is not required to be filed
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9 before such February fifteenth, such return shall for the
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12 (b) If the tax shown on the return is greater than the
13 estimated tax shown in a declaration previously made or in
14 the last amendments thereof such return shall for the
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16 the declaration permitted by subsection (4) of this section
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18 (6) The department shall promulgate rules and
19 regulations governing reasonable extensions of time for
20 filing declarations and paying the estimated tax, except in
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24 declaration, the declaration shall be made by a duly
25 authorized agent or by the guardian or other person charged

1 with the care of the person or property of such taxpayer.

2 (8) Any individual who fails to file a declaration of
3 estimated tax as required by this section is not subject to
4 the penalties set forth in 84-4924."

5 Section 2. Section 84-4940, R.C.M. 1947, is amended to
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7 "84-4940. Installment payments of estimated tax.

8 (1) Estimated tax provided for in section 84-4939 shall be
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7 (5) The application of this section of this act to
8 taxable years of less than twelve (12) months shall be as
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 21 of this section the individual shall state:

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 23 under section 84-4902 for the taxable year;

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4 the penalties set forth in 84-4924."

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17 and not after October fifteenth of the taxable year and is
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7 (5) The application of this section of this act to
8 taxable years of less than twelve (12) months shall be as
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10 department.

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12 taxpayers reporting income on a fiscal year basis there
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16 required by this section is not subject to the penalties set
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-End-

SENATE BILL NO. 100

INTRODUCED BY TURNAGE, LOCKREM, HIMSL

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(2) In the declaration required under subsection (1) of this section the individual shall state:

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(3) The declaration required under subsection (1) of this section shall be filed with the department on or before April fifteenth of the taxable year except that if the requirements of subsection (1) of this section are first met:

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Provided that the declaration required to be filed during 1955 may be filed not later than October 15, 1955 if the requirements of subsection (1) of this section are fulfilled at any time prior to October 2, 1955.

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