

HOUSE BILL NO. 63

INTRODUCED BY J. HAMILTON

BY REQUEST OF THE DEPARTMENT OF REVENUE

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5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LAWS RELATED TO ANNUAL WAGE AND TAX
6 STATEMENTS; REVISING THE FILING DATE FOR EMPLOYERS TO FILE ANNUAL WAGE AND TAX
7 STATEMENTS AND ROYALTY AND TAX STATEMENTS TO ALIGN WITH FEDERAL FILING DEADLINE;
8 REVISING THE REMITTANCE DUE DATE FOR EMPLOYERS ON AN ANNUAL PAYMENT SCHEDULE TO
9 ALIGN WITH THE DUE DATE FOR ANNUAL WAGE AND TAX STATEMENTS; AMENDING SECTIONS
10 15-30-2504, 15-30-2507, AND 15-30-2544, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND
11 A RETROACTIVE APPLICABILITY DATE."

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13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
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15 **Section 1.** Section 15-30-2504, MCA, is amended to read:
16 **"15-30-2504. Schedules for remitting income withholding taxes -- records.** (1) Subject to the due
17 date provision in 15-30-2604(1)(b), an employer shall remit the taxes withheld from employee wages as follows:
18 (a) An employer whose total liability for state income tax withholding during the preceding lookback
19 period was \$12,000 or more shall remit on an "accelerated schedule", which is the same as the employer's
20 federal due dates for federal tax deposits.
21 (b) An employer whose total liability for state income tax withholding during the preceding lookback
22 period was less than \$12,000 but more than \$1,199 shall remit on a "monthly schedule" for which the remittance
23 due date is on or before the 15th day of the month following the payment of wages.
24 (c) An employer whose total liability for state income tax withholding during the preceding lookback
25 period was less than \$1,200 shall remit on an "annual schedule" for which the remittance due date is on or before
26 ~~February 28~~ January 31 of the year following payment of wages.
27 (d) An employer who has no withholding to remit for a remittance period shall, on or before the due date
28 of the applicable remittance schedule, submit a payment coupon showing that a zero amount is being remitted.
29 (2) An employer who has not complied with the requirements of this section shall, upon written notice
30 from the department, remit on the monthly schedule described in subsection (1)(b).

1 (3) On or before November 1 of each year, the department shall notify the employers subject to the
2 provisions of this section of the employers' remittance schedules for the following calendar year based upon the
3 department's review of the preceding lookback period.

4 (4) A new employer or an employer with no filing history is subject to the monthly remittance schedule
5 in subsection (1)(b) until the department is able to determine the employer's proper remittance schedule by a
6 review of the employer's first complete lookback period.

7 (5) An employer may elect to remit payments on a more frequent basis than is required by subsection
8 (1).

9 (6) An employer may use alternative remittance methods in conjunction with the department's electronic
10 remittance program in accordance with department rules.

11 (7) If the department has reason to believe that collection of the amount of any tax withheld is in
12 jeopardy, it may proceed as provided for under 15-1-703.

13 (8) Each employer shall keep accurate payroll records containing the information that the department
14 may prescribe by rule. Those records must be open to inspection and audit and may be copied by the department
15 or its authorized representative at any reasonable time and as often as may be necessary. An employer who
16 maintains its records outside Montana shall furnish copies of those records to the department at the employer's
17 expense."
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19 **Section 2.** Section 15-30-2507, MCA, is amended to read:

20 **"15-30-2507. Annual statement by employer.** (1) Every employer shall, on or before ~~February 28~~
21 January 31 in each year, file with the department a wage and tax statement for each employee in the form and
22 summarizing information as the department requires, including the total wages paid to the employee during the
23 preceding calendar year or any part of the calendar year and showing the total amount of the federal income tax
24 deducted and withheld from the wages and the total amount of the tax deducted and withheld from the wages
25 under the provisions of 15-30-2501 through 15-30-2509.

26 (2) The annual statement filed by an employer with respect to the wage payments reported constitutes
27 full compliance with the requirements of 15-30-2616 relating to the duties of information agents, and additional
28 information return is not required with respect to the wage payments."
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30 **Section 3.** Section 15-30-2544, MCA, is amended to read:

1 **"15-30-2544. Remitter to furnish annual statement to department.** (1) On or before ~~February 28~~
2 January 31 of each year, each remitter shall file with the department a royalty and tax statement, on a form
3 provided by the department, that shows the total royalties paid to each royalty owner subject to withholding during
4 the preceding calendar year or any portion of the preceding calendar year and the total amount of the tax
5 deducted and withheld from the royalty payments under the provisions of 15-30-2536 through 15-30-2547 for the
6 same period.

7 (2) The annual statement filed by a remitter under this section complies with the requirements of
8 15-30-2616 relating to the duties of information agents. An additional information return is not required with
9 respect to the royalty payments.

10 (3) The department shall make the forms described in 15-30-2541 and this section available no later than
11 November 15, 2007."

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13 NEW SECTION. **Section 4. Effective date.** [This act] is effective on passage and approval.

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15 NEW SECTION. **Section 5. Retroactive applicability.** [This act] applies retroactively, within the
16 meaning of 1-2-109, to tax years beginning after December 31, 2016.

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