

Montana law allows licensed distributors to apply for a credit of tax paid to the Montana Department of Transportation (MDT) on their unpaid accounts. The eligibility requirements are stated in Montana Codes Annotated § 15-70-221 for gasoline tax and § 15-70-356 for special fuel tax.

During the 1993 Legislative Session, the bad debt credit law was amended to only allow the following, effective January 1, 1994: (1) only licensed distributors can apply for a bad debt credit and (2) tax credits must be \$200 or greater for each purchaser (debtor).

All applications for bad debt credit must be made to the following:

Fuel Tax Management and Analysis Bureau (FTMA)
Department of Transportation
2701 Prospect Avenue
PO Box 201001
Helena, MT 59620-1001
(406) 444-7276

Instructions

Part A Distributor Information

If you are a licensed distributor complete this part with the same information that is on your Gasoline and Special Fuel Distributor License.

Part B Federal U.S. Corporation Income Tax Reporting

Attach a copy of the U.S. Corporation Income Tax Reporting Form (Form 1120) and write in the time period covered by Form 1120 in Part B

Part C Fuel Tax Type

Mark the appropriate fuel tax type. Record the fuel tax credits for gasoline and special fuel on separate forms. Only one fuel tax type per form. ***Tax credits are not allowed for dyed diesel.***

Part D Bad Debt Information

Column A	Print the name, last known address and FEIN or SSN of the debtor (purchaser).
Column B	Print the sales invoice number and send a copy of each invoice with the application.
Column C	Print the date sold. This date should correspond to the date of sale on the invoice.
Column D	Print the number of gallons sold to the debtor. The number should correspond to the gallons indicated on the invoice.
Column E	Print the state tax rate paid by the distributor for the time period of the debt. See the enclosed tax rate sheet to ensure accuracy.
Column F	Multiply Column D times Column E. Print the total in this box

Add the totals in Column F for a grand total at the bottom of the column. This is the total tax claimed for credit.

Part E Signature and Claimant Certification Statement

The individual responsible for the reported information on this form should sign it, print title and the date of the signature.