42.4.1202 APPLICATION OF CREDITS AGAINST CORPORATE INCOME TAX LIABILITY

(1) Only the corporation that earned the tax credit may claim that credit against its own corporate income tax liability. A corporation earns a tax credit if it is the entity that made the qualifying investment or expenditure to generate the applicable tax credit.

(2) Except as provided for in 15-32-508, MCA, in the case of a merger or consolidation, if a credit is earned by a corporation that is no longer in existence the credit may not be claimed against the tax liability of the surviving corporation.

(3) Except as provided for in 15-32-508, MCA, in the case of a corporate entity that has converted to a disregarded entity, any credit earned by the entity prior to the conversion may not be claimed against the tax liability of another entity.

(4) As provided in (1), tax credits are applied on a separate entity basis. A tax credit may not be transferred, assigned, or otherwise used to reduce the tax liability of any other corporation, even if that other corporation is a member of the same unitary business group as the corporation that earned the credit.

Authorizing statute(s): 15-31-501, MCA

Implementing statute(s): 5-30-2320, 15-30-2326, 15-30-2380, 15-31-130, 15-31-131, 15-31-134, 15-31-150, 15-31-151, 15-31-161, 15-32-115, 15-32-402, 15-32-503, 15-32-602, 15-32-701, 15-32-703, 15-50-207, 17-6-316, MCA

History: NEW, 2017 MAR p. 2095, Eff. 11/10/17; AMD, 2022 MAR p. 166, Eff. 1/29/22; AMD, 2022 MAR p. 837, Eff. 5/28/22.