

1. Will Missouri allow electronic filing Missouri Individual income tax extensions?

- Yes. If the filer needs to submit a payment with the extension, they may choose to [submit the payment online here](#). When the filer selects the extension payment type, this will also record the return extension in our system. If the filer is not required to submit a payment with the extension, they may simply select the “federal extension box” on the applicable electronic or paper form when they file.

2. Are we required to file Missouri extension for individuals regardless of whether or not they owe money as we received dozens of notices for late filing when we believed that Missouri accepted Federal extension.

- The state of Missouri does accept the federal extension. If the filer is not required to submit a payment with the extension, they may simply select the “federal extension box” on the applicable electronic or paper form when they file. If the filer needs to submit a payment with the extension, they may choose to [submit the payment online here](#). When the filer selects the extension payment type, this will also record the return extension in our system. If they choose not to pay electronically, they will need to submit their payment with form MO-60 by the return due date.

3. If there is a credit passing through, does it reduce the amount of tax paid?

Yes, the amount of tax paid on Form MO-PTE by the Affected Business Entity will become the basis of the credit that is prorated among the members of the Affected Business Entity. Each member will be permitted to claim their portion of the tax paid by the Affected Business Entity on their individual income tax return.

4. Is the PTE tax only paid for owners that are individuals or is the tax paid at the partnership level paid for all owners no matter what entity type?

The PTE tax is paid by S Corporations or Partnerships that elect to pay the PTE tax at the entity level. Each member will be permitted to claim their pro rata share of the tax paid by the Affected Business Entity on their individual income tax return

5. How are trusts with individual beneficiaries allowed to use the SALT Parity elections?

Only a partnership or a S corporation as defined in Sections 143.436.2(5) and 143.436.2(6) are allowed to elect to become an Affected Business Entity. If a partnership or S corporation elects to file a PTE return and has a trust as a member, the trust is not eligible for the PTE credit and cannot pass the PTE credit to its individual grantors, trustees, or trust beneficiaries.

6. Partnerships with individual partners & partnership partners allowed to use PTET with both types of partners?

Yes.

7. Regarding PTE, will Missouri require estimated payments for 2023 & future years?

No, the Missouri Department of Revenue does not require the submission of estimated payments, but the Affected Business Entity may choose to submit anticipated tax payments on Form MO-PTEAP.

8. MO PTE at the individual level: does this tax paid by the entity only cover the individual taxpayer's tax or the full amount of tax on the Married Filing Jointly MO 1040? The PTE credit will use the same method of application to a joint return as a miscellaneous tax credit currently does. The PTE credit will apply against the member's tax liability.

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9. Is it possible to walk through an example of how the PTE works for a partnership and S-Corp (payment timing, reporting) and the individual partners/shareholders (reporting of credit)?

Yes. If a partnership elects to pay the tax at the entity level, it will complete Form MO-PTE, and determine the amount of tax owed by the partnership. In this example the partnership has two partners; partner A has a 60% share percentage on Form K-1 and partner B has a 40% share percentage on Form K-1. The partnership will

multiply the tax determined and paid on Form MO-PTE times 60%, and then report that amount to partner A to reduce their individual income tax liability. Ultimately, partner A will enter 60% of the tax paid from Form MO-PTE on Form MO-TC when they complete their MO-1040. Partner B will take the same action based on their 40% share percentage. The Form MO-PTE needs to be completed before each partner files their individual income tax return, so they are able to calculate the appropriate credit amount. The MO-PTE follows the same due date and extension process as the MO-1040.

10. How is the NOL addback calculated now that the IRS limits the N|OL on the federal 1040?

In the year of the loss, the net operating loss carryback or carryforward is added back to federal adjusted gross income. This has not changed. The principle is that the carryback or carryforward will be used as a deduction in another year. The federal change has limited net operating loss deductions to 80 percent of federal taxable income, which means that after the initial loss year, no amount would be required to be added back. None of the loss deducted in that year would be a deduction in any other year.

11. Is there a limit to the credit that can be received for the reinstatement of the \$1,400 deduction for head of household, and does have to be entirely used in tax year 2022 or can it be rolled forward?

The Missouri Department of Revenue calculated the maximum credit amount for each eligible person. The credit is applied to the 2022 period. However, the credit recipient can request a refund of the credit amount if they are not required to file a 2022 return.

12. What is an example of a educational assistance organization? For example, is a donation to a private high school for scholarships a qualifying contribution?

For qualifying educational assistance organizations, contact Dave Masterson at the State Treasurer's office at 573-751-4900.

13. Is a return required in order to get PTC? Do you just file online?

An individual may submit either a paper MO-PTC, or they may use our online application.

14. Will Missouri allow direct debit for balance due and estimates through the tax return submission?

The Department will allow direct debit for the balance due with the submission of a modernized electronic return. [Estimated payments can be made electronically here.](#)

15. Can PTE payments be specially allocated among Partners in a partnership/LLC filing?

Yes, on Form MO-PTE.

16. Are PTE payments for MO and KS based on the pass-through income items including "Guaranteed Payments"?

The PTE return begins with the sum of separately and non-separately computed items under Internal Revenue Code Sections 702(a) (for partnerships) or 1366 (for S corporations). For partnerships, they will enter the amount from federal Form 1065, Page 5 (Analysis of Net Income (Loss)), Line 1, less federal Form 1065, Schedule K, Line 4, This has the effect of subtracting Schedule K, Line 4, Guaranteed Payments from the determination of this sum. Guaranteed Payments are already taken into account as a deduction in determining ordinary business (loss) on Form 1065, Line 10.

17. I want to confirm I heard this correctly - a Missouri extension does NOT need to be filed if we check the box that a federal extension was filed on form MO-1040?

Correct.

18. Re: the question about specially allocating PTE payments - partnerships can elect to not pass through items to the members/partners that are NOT based on their ownership % - so, ex: can you have a 10% partner, but specially allocate 5% of the PTE credit?

The Department will allow the PTE credit to be claimed for the amount that was reported on the MO-PTE return which is based on the member's/partner's pro rata share of the tax paid. The member's/partner's percentage that is entered on the MO-PTE should match what is reported on the K1.

- 19. Do members receive credit for their share of the PTE taxes paid, or their share of the PTE tax liability for the year?**

The member receives a credit for their pro rata share of the PTE tax liability paid.

- 20. Can excess PTE payments made be refunded to the individual if they end up being overpaid for the tax year.**

PTE overpayments will be refunded to the Affected Business Entity that submitted Form MO-PTE.