

**IRS AND MONTANA DEPARTMENT OF REVENUE JOIN FORCES TO
STREAMLINE EMPLOYMENT TAX FILING**

WASHINGTON -- IRS Commissioner Charles O. Rossotti and Montana Governor Marc Racicot today announced the successful testing of a joint pilot project under the Simplified Tax and Wage Reporting System (STAWRS).

The Single Point Filing initiative is the product of a three-year cooperative effort between the Montana Department of Revenue, the U.S. Department of Labor, and the Internal Revenue Service. This new simplified filing method will allow Montana businesses to file both state and federal employment taxes on one easy and convenient form. The Montana Department of Revenue will transmit the federal information electronically to the IRS for processing, alleviating the need for additional paperwork and ensuring accuracy in filing.

"The overall aim of STAWRS is to reduce the wage and tax reporting burden on employers while improving the efficiency of the tax system," Rossotti said. "Our partnership with the State of Montana moves the IRS one step closer to the goal of providing a single location for the filing of employment-related returns," he said.

Montana Department of Revenue Director Mary Bryson said the partnership "is perfectly aligned with our vision of improved customer service and reduced employer burden. Montana is excited to be among the first states in the nation to prove the viability of combined federal/state tax reporting for employers. We look forward to expanding this filing option to all Montana employers and to exploring further partnership opportunities."

Today's event also served as a setting for the presentation of several prestigious awards. Vice President Gore's National Partnership for Reinventing Government Hammer Award was presented to the Montana/STAWRS team, Commissioner Rossotti presented the Montana Department of Revenue and U.S. Senator Max Baucus with Commissioner's Awards, and the Small Business Administration's Chief Advocate Jere Glover presented Senator Baucus and the Montana Department of Revenue with SBA awards.

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