



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0447 - Provide for exceptions to imposition of income tax on certain nonresidents (Thane, Mark)

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balanc	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: HB 447, clarifies the circumstances when non-residents who receive Montana source income from temporary work in the state can be excluded from making withholding payments. The bill does not change non-resident tax liability and is anticipated to have a *de minimis* impact to state revenue.

FISCAL ANALYSIS

Assumptions:**Department of Revenue**

- HB 447 establishes exemptions to withholding and filing requirements for non-residents performing work while they are in Montana if they meet a set of criteria.
- The proposed bill will result in some taxpayers not having income withheld or from filing a non-resident return. However, the number of taxpayers filing a return, or having income withheld, are not expected to change significantly. Because of this, the proposed bill is not expected to have a significant impact to general fund revenue.

Sponsor's Initials

2-16-23

Date

Budget Director's Initials

2-15-23

Date