

1 2201.

2 (9) "Designated beneficiary" means the eligible individual on whose behalf an account is
3 established.

4 (10) "Disability certifications" means disability certifications as defined in section 529A(e)(2) of the
5 Internal Revenue Code, 26 U.S.C. 529A(e)(2).

6 (11) "Eligible individual" means an eligible individual as defined in section 529A(e)(1) of the Internal
7 Revenue Code, 26 U.S.C. 529A(e)(1).

8 (12) "Financial institution" means a bank, commercial bank, national bank, savings bank, savings
9 and loan association, credit union, insurance company, trust company, investment adviser, or other similar
10 entity that is authorized to do business in this state.

11 (13) "Internal Revenue Code" has the same meaning as provided in 15-30-2101.

12 ~~(13)~~ (14) "Investment products" means, without limitation, certificates of deposit, savings
13 accounts paying fixed or variable interest, financial instruments, one or more mutual funds, and a mix of mutual
14 funds.

15 ~~(14)~~ (15) "Member of the family" means, with respect to a designated beneficiary, a member of
16 the family of the designated beneficiary as defined in section 529A(e)(4) of the Internal Revenue Code, 26
17 U.S.C. 529A(e)(4).

18 ~~(15)~~ (16) "Nonqualified withdrawal" means a withdrawal from the account that is not:

19 (a) a qualified withdrawal;

20 (b) a withdrawal made as the result of the death of the designated beneficiary of an account; or

21 (c) a rollover distribution or a change of designated beneficiary described in 53-25-111.

22 ~~(16)~~ (17) "Participating trust agreement" means an agreement between a designated beneficiary
23 and the department or its designee that creates a trust interest in the trust and provides for participation in the
24 program.

25 ~~(17)~~ (18) "Program" means the Montana achieving a better life experience program provided for
26 in this chapter and authorized under section 529A of the Internal Revenue Code, 26 U.S.C. 529A.

27 ~~(18)~~ (19) "Program administrator" means the person appointed or contracted by the department
28 to administer the daily operations of the program and provide marketing, recordkeeping, investment

1 management, and other services for the program.

2 (19) (20) "Program manager" means a financial institution that acts on behalf of the trust as
3 provided in 53-25-112.

4 (20) (21) "Qualified disability expenses" means qualified disability expenses as defined in
5 section 529A(e)(5) of the Internal Revenue Code, 26 U.S.C. 529A(e)(5).

6 (21) (22) "Qualified withdrawal" means a withdrawal from an account to pay the qualified
7 disability expenses of the designated beneficiary of the account. A qualified withdrawal may be made by the
8 beneficiary or the beneficiary's agent.

9 (22) (23) "Rollover distribution" means a transfer of funds made:

10 (a) from one account in another state's qualified program to an account for the benefit of the same
11 designated beneficiary or an eligible individual who is a family member of the former designated beneficiary; or

12 (b) from one account to another account for the benefit of an eligible individual who is a family
13 member of the former designated beneficiary.

14 (23) (24) "Trust" means the achieving a better life experience savings trust as provided in 53-25-
15 121.

16 (24) (25) "Trustee" means the department in its capacity as trustee of the trust.

17 (25) (26) "Trust interest" means a designated beneficiary's interest in the trust created by a
18 participating trust agreement and held for the benefit of the designated beneficiary."

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20 **NEW SECTION. Section 2. Effective date.** [This act] is effective on passage and approval.

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22 **NEW SECTION. Section 3. Retroactive applicability.** [This act] applies retroactively, within the
23 meaning of 1-2-109, to income tax years beginning after December 31, 2024.

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