

HOUSE BILL NO. 245

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LAWS RELATED TO THE TRADES EDUCATION AND  
TRAINING TAX CREDIT; EXPANDING THE LIST OF QUALIFYING TRADES FOR THE TRADES  
EDUCATION AND TRAINING TAX CREDIT; PROVIDING THE DEPARTMENT OF REVENUE MAY  
FURTHER EXPAND THE LIST THROUGH ITS EXISTING RULEMAKING AUTHORITY; PROVIDING  
LEGISLATIVE INTENT; EXTENDING THE TERMINATION DATE 2 YEARS; AMENDING SECTION 15-30-  
2359, MCA; AMENDING SECTION 7, CHAPTER 248, LAWS OF 2021; AND PROVIDING AN IMMEDIATE  
EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 15-30-2359, MCA, is amended to read:

**"15-30-2359. (Temporary) Tax credit for trades education and training.** (1) Subject to the  
provisions of this section, an employer taxpayer is allowed a credit against the tax imposed by chapter 31 or  
this chapter for expenses incurred in the provision of certain education and training of employees for a trade  
profession who work or are anticipated to work in Montana for at least 6 months of the year in which the  
education or training occurs.

(2) The credit is equal to 50% of the qualified education and training expenses incurred by an  
employer for the benefit of an employee, not to exceed \$2,000 per employee annually. An employer's total  
credit allowed under subsection (1) on an annual basis may not exceed \$25,000.

(3) The credit may not exceed the employer's tax liability and may not be carried forward or carried  
back.

(4) The credit allowed under this section may not be claimed by an employer:

(a) if the employer has included the qualified education and training expenses upon which the

1 amount of the credit was computed as a deduction in computing the tax imposed by chapter 31 or this chapter;  
2 or

3 (b) for any amount of qualified education and training expenses that are paid for with a grant or  
4 other similar program to provide money for education and training of employees.

5 (5) The credit permitted under this section must be applied to the tax year in which the employer  
6 incurs the qualified education and training expenses.

7 (6) If during any tax year a qualified education and training expense incurred by the employer is  
8 recovered by the employer, the employer shall:

9 (a) include as income the amount deducted in any prior year that is attributable to the qualified  
10 education and training expense incurred by the employer to the extent that the deduction reduced the  
11 employer's individual income tax or corporate income tax; and

12 (b) increase the amount of tax due under 15-30-2103 or 15-31-101 by the amount of the credit  
13 allowed in the tax year in which the credit was taken.

14 (7) The department may adopt rules, prepare forms, and maintain records that are necessary to  
15 implement this credit. The rules may include additional trade professions beyond those listed in subsection  
16 (8)(c). The legislature intends that the department implement this credit in a manner that encourages employers  
17 to provide education and training in a broad range of trade professions.

18 (8) For the purposes of this section, the following definitions apply:

19 (a) "Qualified education and training expenses" means those expenses actually incurred by the  
20 employer that are paid to a third party and include but are not limited to expenses for tuition, fees, books,  
21 supplies, or equipment required as part of a qualified training method to assist an employee of the employer in  
22 developing additional techniques and skills in a trade profession.

23 (b) "Qualified training method" means education and training provided in any of the following  
24 methods:

25 (i) classroom education or training in which the employee travels to the educator or trainer;

26 (ii) on-site education or training in which the educator or trainer travels to the business and  
27 customizes the education or training to the employer's needs; or

28 (iii) online education or training that is interactive, in which:

- 1 (A) the employee has access to the educator or trainer;
- 2 (B) the employee demonstrates or practices what the employee is learning; and
- 3 (C) the online education or training has the capability to provide suitable proof of completion.
- 4 (c) "Trade profession" means skilled occupations in a specialized craft requiring advanced training
- 5 and education but not typically requiring a 4-year postsecondary degree, including but not limited to:
- 6 (i) agricultural equipment operators, inspectors, farm and ranch workers, and laborers;
- 7 ~~(i)~~(ii) boilermakers, boiler operators, and refractory materials repairers;
- 8 ~~(ii)~~(iii) brick masons, block masons, and stone masons, stucco masons, and plasterers;
- 9 ~~(iii)~~(iv) carpenters, cabinetmakers, and woodworkers;
- 10 ~~(iv)~~(v) carpet installers and flooring finishers and sanders;
- 11 ~~(v)~~(vi) cement masons and terrazzo workers;
- 12 ~~(vi)~~(vii) construction and building inspectors;
- 13 ~~(vii)~~(viii) construction equipment operators;
- 14 ~~(viii)~~(ix) construction managers, laborers, and helpers;
- 15 ~~(ix)~~(x) drywall and ceiling tile installers and tapers, paperhangers, and insulation workers;
- 16 ~~(x)~~(xi) electricians, AND electric powerline installers, and tapers LINEMEN;
- 17 ~~(xi)~~(xii) elevator installers and repairers;
- 18 (xiii) extraction-related professions, including:
- 19 (A) explosives workers, ordinance-ORDNANCE handling experts, and blasters;
- 20 (B) surface mining machine operators and earth drillers;
- 21 (C) quarry rock splitters;
- 22 (D) underground mining machine operators; and
- 23 (E) other extraction helpers and workers;
- 24 (xiv) fabricators, fitters, and assemblers;
- 25 (xv) food manufacturing and processing;
- 26 ~~(xii)~~(xvi) glaziers;
- 27 ~~(xiii)~~(xvii) HVAC workers;
- 28 (xviii) information technology related professions, including:

- 1           (A) computer information analysts;  
2           (B) database and network administrators;  
3           (C) architects; and  
4           (D) specialists and support professionals;  
5           (xix) locksmiths and safe repairers;  
6           ~~(xiv)(xx)~~ logging and lumbering;  
7           ~~(xv)(xxi)~~ machinists and tool and die makers;  
8           ~~(xvi)(xxii) maintenance mechanics and auto mechanics~~ mechanics, repairers, and service technicians  
9 for automobiles, aircraft, commercial vehicles, and small engines;  
10          (xxiii) medical and dental professionals, including:  
11          (A) dental hygienists;  
12          (B) emergency medical technicians and paramedics;  
13          (C) medical assistants;  
14          (D) pharmacy aides and technicians; and  
15          (E) phlebotomists;  
16          ~~(xvii)(xxiv)~~ millwrights;  
17          ~~(xviii)(xxv)~~ oil and gas workers;  
18          ~~(xix)(xxvi)~~ painters;  
19          ~~(xx)(xxvii)~~ plumbers, pipefitters, pipelayers, septic tank servicers, sewer pipe cleaners, and  
20 steamfitters;  
21          ~~(xxi)(xxviii)~~ roofers ~~and solar voltaic installers;~~  
22          ~~(xxii)(xxix)~~ sheet metal and plastics workers;  
23          (XXX) SOLAR VOLTAIC INSTALLERS;  
24          ~~(xxiii)(xxx)(XXXI)~~ structural iron, reinforcing iron, rebar, and steel workers;  
25          ~~(xxiv)(xxxii)(XXXII)~~ telecommunications tower technicians, equipment installers and repairers, and line  
26 installers and repairers;  
27          (XXXIII) textile, apparel, and furnishings workers;  
28          ~~(xxv)(xxxiii)(XXXIV)~~ tile and marble setters;

1           ~~(xxvi)(xxiv)(xxxv)~~ trucking and truck drivers;  
2           ~~(xxvii)(xxxv)(xxxvi)~~ water well drillers;  
3           ~~(xxviii)(xxxvi)(xxxvii)~~ welders; and  
4           ~~(xxix)(xxxvii)(xxxviii)~~ wind turbine technicians. (Terminates December 31, ~~2026~~ 2028--sec. 7, Ch. 248,  
5 L. 2021.)"

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7           **Section 2.** Section 7, Chapter 248, Laws of 2021, is amended to read:

8           **"Section 7. Termination.** [This act] terminates December 31, ~~2026~~2028."

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10           NEW SECTION. Section 3. Effective date. [This act] is effective on passage and approval.

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12           NEW SECTION. Section 4. Retroactive applicability. [Section 1] applies retroactively, within the  
13 meaning of 1-2-109, to tax years beginning after December 31, 2022.

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