

HOUSE BILL NO. 249

INTRODUCED BY E. STAFMAN, C. KEOGH, J. HAMILTON, D. HAWK, A. BUCKLEY, M. MARLER, M.

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HOWELL

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A CHILD TAX CREDIT; PROVIDING A
MAXIMUM ~~REFUNDABLE~~ CREDIT AMOUNT FOR A CHILD 5 YEARS OF AGE OR YOUNGER; PROVIDING
A MAXIMUM ~~REFUNDABLE~~ CREDIT AMOUNT FOR A CHILD 6 YEARS OF AGE OR OLDER; PROVIDING A
REDUCTION OF THE CREDIT BASED ON FILING STATUS AND ADJUSTED GROSS INCOME; AMENDING
SECTION 15-30-2303, MCA; AND PROVIDING AN APPLICABILITY DATE."

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

NEW SECTION. **Section 1. Child tax credit.** (1) A resident taxpayer that is eligible for the federal
child tax credit for a child under section 24 of the Internal Revenue Code, 26 U.S.C. 24, is allowed a credit
against the taxes imposed by this chapter for each child that the taxpayer may claim on a federal return. The
amount of the credit is based on the child's age, the taxpayer's filing status, and the taxpayer's federal adjusted
gross income.

(2) Subject to subsection ~~(5)~~ (3), the amount of the credit is:

(a) \$1,200 for each child who is 5 years of age or younger at the end of the tax year; and

~~(3)(b)~~ \$600 for each child who is 6 years of age or older at the end of the tax year.

~~(4) — If the amount of the credit exceeds the taxpayer's liability under 15-30-2103, the amount of the
excess must be refunded to the taxpayer. The credit may be claimed even if the claimant has no taxable
income.~~

~~(5)(3)~~ The ~~credits credit~~ in ~~subsections subsection~~ (2) ~~and (3) are is~~ reduced at a rate of \$25 for each
\$1,000 of the taxpayer's federal adjusted gross income in excess of:

(a) \$65,000 for every married individual who files a joint return and for every surviving spouse;

(b) \$55,000 for every head of household; and

(c) \$45,000 for every individual other than a surviving spouse or head of household who is not a married individual.

Section 2. Section 15-30-2303, MCA, is amended to read:

"15-30-2303. Tax credits subject to review by interim committee. (1) The following tax credits must be reviewed during the biennium commencing July 1, 2019, and during each biennium commencing 10 years thereafter:

(a) the credit for contractor's gross receipts provided for in 15-50-207; and

(b) the credit for elderly homeowners and renters provided for in 15-30-2337 through 15-30-2341.

(2) The following tax credits must be reviewed during the biennium commencing July 1, 2021, and during each biennium commencing 10 years thereafter:

(a) the credit for donations to an educational improvement account provided for in 15-30-2334, 15-30-3110, and 15-31-158; ~~and~~

(b) the credit for donations to a student scholarship organization provided for in 15-30-2335, 15-30-3111, and 15-31-159; and

(c) the child tax credit provided for in [section 1].

(3) The following tax credits must be reviewed during the biennium commencing July 1, 2023, and during each biennium commencing 10 years thereafter:

(a) the credit for infrastructure use fees provided for in 17-6-316;

(b) the credit for contributions to a qualified endowment provided for in 15-30-2327 through 15-30-2329, 15-31-161, and 15-31-162; and

(c) the credit for property to recycle or manufacture using recycled material provided for in Title 15, chapter 32, part 6.

(4) The following tax credits must be reviewed during the biennium commencing July 1, 2025, and during each biennium commencing 10 years thereafter:

(a) the credit for preservation of historic buildings provided for in 15-30-2342 and 15-31-151;

(b) the credit for unlocking state lands provided for in 15-30-2380;

(c) the job growth incentive tax credit provided for in 15-30-2361 and 15-31-175; and