

Amendment - 1st Reading-white - (H) Appropriations

- 2023

68th Legislature 2023

Drafter: Julie Johnson, 406-444-4024

HB0268.002.003

HOUSE BILL NO. 268

INTRODUCED BY J. KASSMIER, B. MERCER, L. JONES

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A CHILD TAX CREDIT FOR MONTANA
RESIDENT TAXPAYERS; PROVIDING A MAXIMUM REFUNDABLE CREDIT AMOUNT FOR A CHILD 5
YEARS OF AGE OR YOUNGER; AMENDING SECTION 15-30-2303, MCA; AND PROVIDING AN
APPLICABILITY DATE AND A TERMINATION DATE."

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

NEW SECTION. Section 1. Child tax credit. (1) Except as provided in subsection (3), a resident
taxpayer who is permitted a child tax credit 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 qualifying child of the taxpayer.

(2) The SUBJECT TO SUBSECTION (6), the amount of the credit is \$1,200 for each qualifying child.

(3) The credit is not allowed if the taxpayer's federal adjusted gross income exceeds the threshold
amount.

(4) TO CLAIM THE CREDIT, A TAXPAYER MUST HAVE:

(A) PROOF OF EARNED INCOME;

(B) INVESTMENT INCOME OF LESS THAN \$10,300; AND

(C) A VALID SOCIAL SECURITY NUMBER FOR EACH CHILD CLAIMED.

(4)(5) The taxpayer is entitled to a refund equal to the amount by which the credit exceeds the
taxpayer's tax liability or, if the taxpayer has no tax liability under this chapter, a refund equal to the amount of
the credit. The credit may be claimed by filing a Montana income tax return.

(6) THE CREDIT IN SUBSECTION (2) IS REDUCED AT A RATE OF \$90 FOR EACH \$1,000 OF THE TAXPAYER'S
FEDERAL ADJUSTED GROSS INCOME IN EXCESS OF \$50,000.

(5)(7) For the purposes of this section, the following definitions apply:

(a) "EARNED INCOME" MEANS EARNED INCOME AS DEFINED IN SECTION 32 OF THE INTERNAL REVENUE
CODE, 26 U.S.C. 32.

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1 integral part of Title 15, chapter 30, part 23, and the provisions of Title 15, chapter 30, part 23, apply to [section
2 1].

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4 NEW SECTION. **Section 4. Applicability.** [This act] applies to income tax years beginning after
5 December 31, 2023.

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7 NEW SECTION. **Section 5. Termination.** [Sections 1 and 2] terminate December 31, 2026.

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