

1 HOUSE BILL NO. 268  
2 INTRODUCED BY J. KASSMIER, B. MERCER, L. JONES

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

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

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11 NEW SECTION. Section 1. Child tax credit. (1) Except as provided in subsection (3), a resident  
12 taxpayer who is permitted a child tax credit under section 24 of the Internal Revenue Code, 26 U.S.C. 24, is  
13 allowed a credit against the taxes imposed by this chapter for each qualifying child of the taxpayer.

14 (2) ~~The Subject to subsection (5), the~~ amount of the credit is \$1,200 for each qualifying child.

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

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

20 ~~(5) The credit in subsection (2) is reduced at a rate of \$90 for each \$1,000 of the taxpayer's federal~~  
21 ~~adjusted gross income in excess of \$50,000.~~

22 ~~(5)(6)~~ For the purposes of this section, the following definitions apply:

23 (a) "Qualifying child" means a child of the taxpayer who is 5 years of age or younger as of the  
24 close of the calendar year in which the taxpayer's tax year begins.

25 (b) "Threshold amount" is ~~\$50,000~~ \$56,000, regardless of the individual taxpayer's filing status.

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

28 **"15-30-2303. Tax credits subject to review by interim committee.** (1) The following tax credits