1	HOUSE BILL NO. 719
2	INTRODUCED BY WILMER, NOONAN, SANDS, NOONEY
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A REFUNDABLE CHILD AND DEPENDENT CARE
5	INCOME TAX CREDIT BASED ON A PERCENTAGE OF THE FEDERAL CHILD AND DEPENDENT CARE
6	CREDIT; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."
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8	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
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10	NEW SECTION. **Section 1. Child and dependent care tax credit.** (1) ~~(a)~~ There is allowed as a credit
11	against the tax imposed by 15-30-103 a percentage of the credit allowed for the federal child and dependent care
12	credit, for which a resident individual taxpayer is eligible for the tax year, under section 21 of the Internal Revenue
13	Code, 26 U.S.C. 21.
14	~~(b) The credit may be claimed by a resident taxpayer filing singly or as head of household whose~~
15	~~adjusted gross income is equal to or less than $31,000 or by married taxpayers filing jointly or singly on the same~~
16	~~form whose combined adjusted gross income is equal to or less than $41,000.~~
17	(2) The amount of the credit allowed under subsection (1) is 25% of the amount of the credit determined
18	for the tax year under section 21 of the Internal Revenue Code, 26 U.S.C. 21.
19	(3) Married taxpayers filing separately on the same form may allocate the credit between spouses.
20	(4) A deduction or credit is not allowed under any other provision of this chapter with respect to any
21	amount for which a credit is allowed under this section.
22	(5) The credit is not allowed for part-year residents or nonresidents of the state.
23	(6) The taxpayer is entitled to a refund equal to the amount by which the credit exceeds the taxpayer's
24	tax liability or, if the taxpayer has no tax liability under this chapter, a refund equal to the amount of the credit.
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26	NEW SECTION. **Section 2. Codification instruction.** [Section 1] is intended to be codified as an
27	integral part of Title 15, chapter 30, part 1, and the provisions of Title 15, chapter 30, part 1, apply to [section 1].
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29	NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval.
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1   <u>NEW SECTION.</u> **Section 4. Retroactive applicability.** [This act] applies retroactively, within the

2   meaning of 1-2-109, to tax years beginning after December 31, 2006.

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