

SENATE BILL NO. 393

INTRODUCED BY K. VAN DYK

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING PROVISIONS RELATED TO THE REFUNDABLE
5 INCOME TAX CREDIT FOR THE AMOUNT OF PROPERTY TAXES PAID ON A PRINCIPAL RESIDENCE;
6 PROVIDING A REFUNDABLE INDIVIDUAL INCOME TAX CREDIT OF \$50 FOR TAX YEAR 2011 AND \$100
7 FOR TAX YEAR 2012; ELIMINATING THE RELIEF MULTIPLE; AMENDING SECTION 15-30-2336, MCA; AND
8 PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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

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12 **Section 1.** Section 15-30-2336, MCA, is amended to read:

13 **"15-30-2336. Refundable income tax credit --statewide equalization for property tax levies on**
14 **principal residence -- rules.** (1) ~~(a)~~ There is a credit against the tax imposed by this chapter as follows;

15 (a) which is calculated by multiplying for tax year 2011, the amount of \$50 for property taxes imposed
16 and paid on a property taxpayer's principal residence under 20-9-331, 20-9-333, and 20-9-360 on \$20,000 of
17 market value on the residence times the relief multiple. in tax year 2011; and

18 ~~(b) As used in subsection (1)(a), the relief multiple is a number used to change the amount of tax relief~~
19 ~~allowed under this section. The relief multiple is 0. Each interim, the revenue and transportation interim committee~~
20 ~~shall, based upon actual and projected state revenue and spending and any other appropriate factors, determine~~
21 ~~if a change in the relief multiple is justified. If a change is justified, the committee shall request a bill to change~~
22 ~~the relief multiple~~

23 (b) for tax year 2012, the amount of \$100 for property taxes imposed and paid on a property taxpayer's
24 principal residence in tax year 2012.

25 (2) As used in this section, "principal residence" means a class four residential dwelling under 15-6-134
26 that is a single-family dwelling unit, unit of a multiple-unit dwelling, trailer, manufactured home, or mobile home
27 and as much of the surrounding land, not exceeding 1 acre, as is reasonably necessary for its use as a dwelling
28 and that is occupied by the owner for at least 7 months during the tax year.

29 (3) Only one claim for a credit may be made in a tax year with respect to any property.

30 (4) If the amount of the credit exceeds the ~~claimant's~~ taxpayer's liability under this chapter, the amount

1 of the excess must be refunded to the claimant taxpayer. The credit may be claimed even if the claimant taxpayer
2 has no income taxable under this chapter.

3 (5) The department may adopt rules to implement and administer this section."
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5 NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.
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7 NEW SECTION. **Section 3. Retroactive applicability.** [This act] applies retroactively, within the
8 meaning of 1-2-109, to tax years beginning after December 31, 2010.
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