

HOUSE BILL NO. 429

INTRODUCED BY F. WILMER

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE INDIVIDUAL INCOME TAX CREDITS FOR
5 ALTERNATIVE ENERGY SYSTEMS, LOW-EMISSION WOOD OR BIOMASS COMBUSTION DEVICES, AND
6 ENERGY-CONSERVING EXPENDITURES; PROVIDING THAT THE INDIVIDUAL INCOME TAX CREDITS FOR
7 ALTERNATIVE ENERGY SYSTEMS AND LOW-EMISSION WOOD OR BIOMASS COMBUSTION DEVICES
8 ARE LIMITED TO 25% OF INSTALLATION COSTS; INCREASING THE INDIVIDUAL INCOME TAX CREDIT
9 LIMIT FOR ALTERNATIVE ENERGY SYSTEMS, LOW-EMISSION WOOD OR BIOMASS COMBUSTION
10 DEVICES, AND ENERGY-CONSERVING EXPENDITURES; CLARIFYING THAT CERTAIN ALTERNATIVE
11 ENERGY SYSTEMS MUST MEET CERTAIN SAFETY AND RELIABILITY REQUIREMENTS TO QUALIFY FOR
12 THE CREDIT; PROVIDING A 3-YEAR CARRYFORWARD FOR UNUSED ENERGY-CONSERVING
13 EXPENDITURE TAX CREDITS; AMENDING SECTIONS 15-32-109 AND 15-32-201, MCA; AND PROVIDING
14 AN APPLICABILITY DATE AND A TERMINATION DATE."

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

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18 **Section 1.** Section 15-32-109, MCA, is amended to read:

19 **"15-32-109. Credit for energy-conserving expenditures.** (1) Subject to the restrictions of subsection
20 (2), a resident individual taxpayer may take a credit against the taxpayer's tax liability under chapter 30 for 25%
21 of the taxpayer's expenditure for a capital investment in the physical attributes of a building or the installation of
22 a water, heating, or cooling system in the building, ~~so~~ as long as either type of investment is for an energy
23 conservation purpose, in an amount not to exceed ~~\$500~~ \$1,000.

24 (2) The credit under subsection (1):
25 ~~_____ (a) may not exceed the taxpayer's tax liability; and~~
26 ~~_____ (b) is subject to the provisions of 15-32-104.~~

27 (3) If the amount of the tax credit exceeds the taxpayer's income tax liability for the tax year, the amount
28 that exceeds the tax liability may be carried forward for taxes imposed in the next 3 succeeding tax years."

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30 **Section 2.** Section 15-32-201, MCA, is amended to read:



