

HOUSE BILL NO. 361

INTRODUCED BY G. HERTZ

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A BILL FOR AN ACT ENTITLED: "AN ACT CREATING AN INDIVIDUAL INCOME TAX CREDIT FOR RESIDENTIAL PROPERTY TAXES PAID; AND PROVIDING AN APPLICABILITY DATE AND A TERMINATION DATE."

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

**NEW SECTION. Section 1. Tax credit for residential property taxes paid -- purpose.** (1) There is

allowed a credit against taxes imposed by 15-30-2103 for taxes imposed and paid on a property taxpayer's class four residential dwelling under 15-6-134 that is a single-family dwelling unit, unit of a multiple-unit dwelling, trailer, manufactured home, or mobile home and as much of the surrounding land as is reasonably necessary for its use as a dwelling and that is occupied by the owner for at least 9 months during the year.

(2) The credit is equal to the taxes levied and paid under 20-9-331, 20-9-333, and 20-9-360, but the maximum credit may not exceed the taxes levied under 20-9-331, 20-9-333, and 20-9-360 on land and improvements with a market value of \$185,000.

(3) If the credit allowed under this section is claimed, the amount of any deduction or credit allowed or allowable under this chapter for the amount that qualifies for this credit or upon which this credit is based must be reduced by the dollar amount of the credit allowed in this section. The election to claim a credit allowed under this section must be made at the time of filing the tax return.

(4) The credit allowed by this section may not be refunded if the taxpayer has a tax liability less than the amount of the credit.

(5) Pursuant to 5-4-104, the legislature finds that the purpose of the tax credit provided for in this section is to provide property tax relief to individuals who also pay Montana individual income tax.

**NEW SECTION. Section 2. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 15, chapter 30, part 23, and the provisions of Title 15, chapter 30, part 23, apply to [section 1].



