

_____ BILL NO. _____

1
2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING INDIVIDUAL INCOME TAX RATES; CREATING A NEW
5 TAX STRUCTURE FOR MARRIED TAXPAYERS FILING A JOINT RETURN; AMENDING SECTION 15-30-2103,
6 MCA; 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 **Section 1.** Section 15-30-2103, MCA, is amended to read:

11 **"15-30-2103. Rate of tax.** (1) There must be levied, collected, and paid for each tax year upon the
12 taxable income of each taxpayer subject to this tax, after making allowance for exemptions and deductions as
13 provided in this chapter, a tax on the brackets of taxable income as follows:

- 14 (a) for every married individual who files a joint return:
- 15 (i) on the first \$4,600 of taxable income or any part of that income, 1%;
- 16 (ii) on the next \$3,600 of taxable income or any part of that income, 2%;
- 17 (iii) on the next \$4,200 of taxable income or any part of that income, 3%;
- 18 (iv) on the next \$4,400 of taxable income or any part of that income, 4%;
- 19 (v) on the next \$4,800 of taxable income or any part of that income, 5%;
- 20 (vi) on the next \$6,200 of taxable income or any part of that income, 6%;
- 21 (vii) on any taxable income in excess of \$27,800 or any part of that income, 6.9%;

- 22 (b) for every individual who is not a married individual filing a joint return:
- 23 ~~(a)~~(i) on the first \$2,300 of taxable income or any part of that income, 1%;
- 24 ~~(b)~~(ii) on the next \$1,800 of taxable income or any part of that income, 2%;
- 25 ~~(c)~~(iii) on the next \$2,100 of taxable income or any part of that income, 3%;
- 26 ~~(d)~~(iv) on the next \$2,200 of taxable income or any part of that income, 4%;
- 27 ~~(e)~~(v) on the next \$2,400 of taxable income or any part of that income, 5%;
- 28 ~~(f)~~(vi) on the next \$3,100 of taxable income or any part of that income, 6%;
- 29 ~~(g)~~(vii) on any taxable income in excess of \$13,900 or any part of that income, 6.9%.

30 (2) By November 1 of each year, the department shall multiply the bracket amount contained in

1 subsection (1) by the inflation factor for that tax year and round the cumulative brackets to the nearest \$100. The
2 resulting adjusted brackets are effective for that tax year and must be used as the basis for imposition of the tax
3 in subsection (1) of 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, 2014.

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- END -