

# Montana State Legislature

**2015 SESSION**

## **ADDITIONAL DOCUMENTS**

**May include the following:**

**Business Page**

[Signed by Chairman]

**Roll Call**

**Standing Committee Reports**

**Tabled Bills**

**Fiscal Reports**

**Rolls Call Votes**

**Proxy Forms**

**Visitor Registrations**

**\*Any other documents, which were submitted after the committee hearing has ended and/or was submitted late [within 48 hours], regarding information in the committee hearing.**

**\*Witness Statements that were not presented as exhibits.**

**Montana Historical Society Archives**

**225 N. Roberts**

**Helena MT 59620-1201**

**2015 Legislative**

**E-Document Specialist Susie Hamilton**

**BUSINESS REPORT**  
**MONTANA SENATE**  
**64th LEGISLATURE - REGULAR SESSION**  
**SENATE FREE CONFERENCE COMMITTEE**

**Date:** Tuesday April 21, 2015  
**Place:** Capitol

**Time:** 3:30 P.M.  
**Room:** 317

**BILLS and RESOLUTIONS HEARD:**

**EXECUTIVE ACTION TAKEN:**

SB 410 - Recommend that the free conference committee report be adopted

**Comments:**



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SEN. Llew Jones, Chair

# MONTANA STATE SENATE

## ROLL CALL

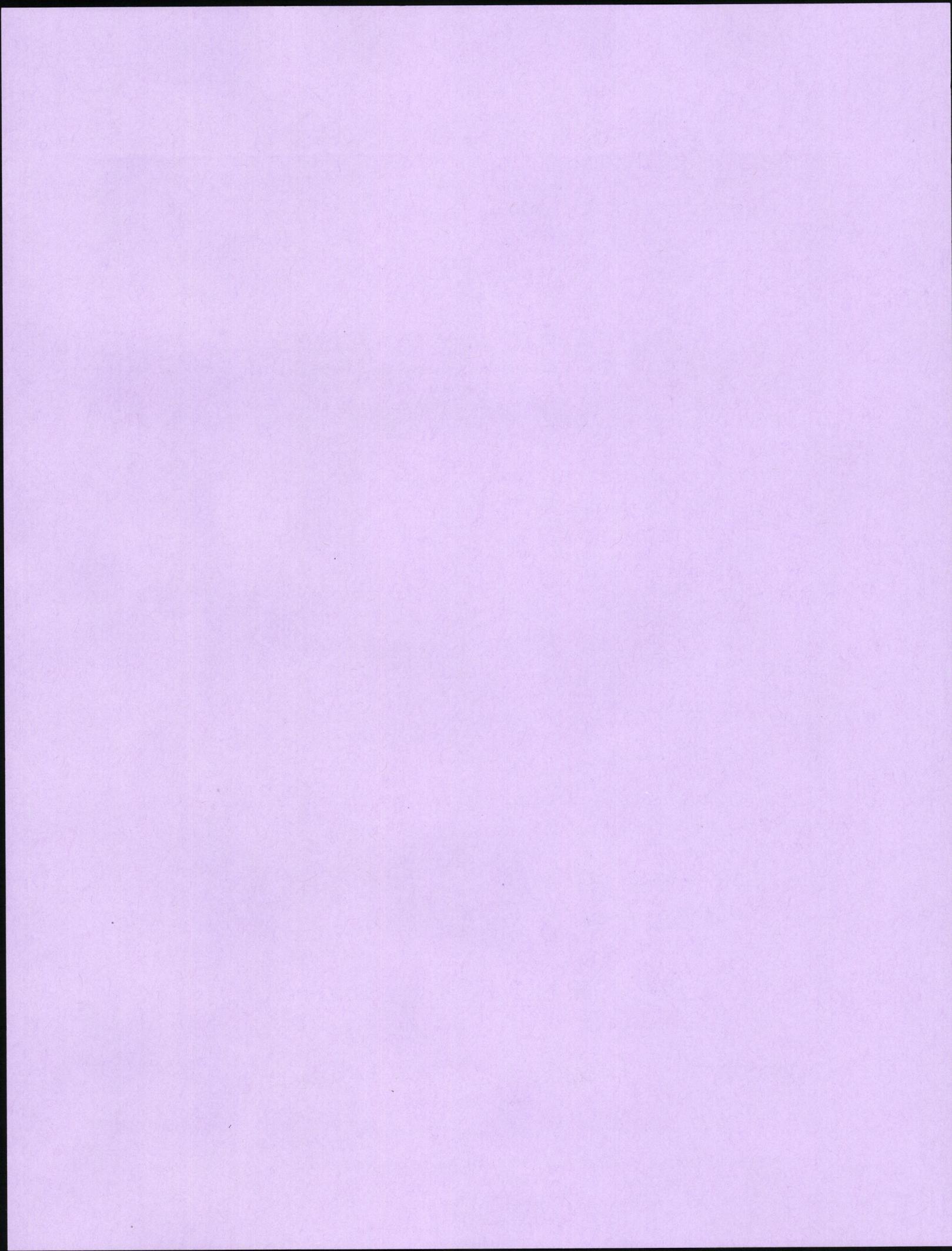
# FREE CONFERENCE COMMITTEE

Date: 4/21/2015 HB (SB) No. 410

NAME	PRESENT	ABSENT/ EXCUSED
Sen. Jones	x	
Sen. Hansen	x	
Sen. Hamletts		x
Rep. Laszloffy	x	
Rep. Osmundson	x	
Rep. McClafferty	x	

Staff: Jaret Coles / Barb Smith

Secretary: Prudence Gildroy



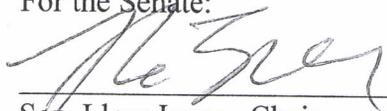


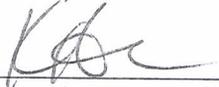
**FREE CONFERENCE COMMITTEE**  
**on Senate Bill 410**  
**Report No. 001, April 21, 2015**

Mr. President and Mr. Speaker:

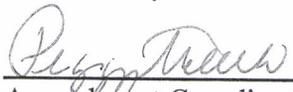
We, your Free Conference Committee met and considered **Senate Bill 410** (reference copy -- salmon) and recommend this Free Conference Committee report be adopted.

For the Senate:

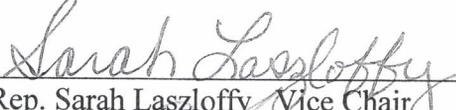
  
 \_\_\_\_\_  
 Sen. Llew Jones Chair

  
 \_\_\_\_\_  
 Sen. Kris Hansen

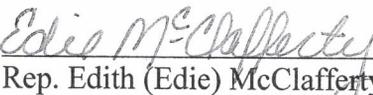
\_\_\_\_\_  
 Sen. Bradley Hamlett

  
 \_\_\_\_\_  
 Amendment Coordinator

For the House:

  
 \_\_\_\_\_  
 Rep. Sarah Laszloffy Vice Chair

  
 \_\_\_\_\_  
 Rep. Ryan Osmundson

  
 \_\_\_\_\_  
 Rep. Edith (Edie) McClafferty

And, recommend that **Senate Bill 410** (reference copy -- salmon) be amended as follows:

1. Title, page 1, line 14.

**Strike:** "AN IMMEDIATE"

**Insert:** "A DELAYED"

**Strike:** "A RETROACTIVE"

**Insert:** "AN"

2. Page 9, line 7.

**Strike:** "2015"

**Insert:** "2016"

**ADOPT**  
**REJECT**

**Amendment # SB 410001**

3. Page 9, line 8.

**Strike:** "2016"

**Insert:** "2017"

4. Page 10, line 19.

**Strike:** "2015"

**Insert:** "2016"

5. Page 10, line 20.

**Strike:** "2016"

**Insert:** "2017"

6. Page 26, line 23.

**Following:** line 22

**Insert:** "COORDINATION SECTION. **Section 29. Coordination instruction.** If both Senate Bill No. 171 and [this act] are passed and approved and if [this act] contains a section that amends 15-30-2110 and Senate Bill No. 171 contains a section that repeals 15-30-2110, then [section 1] of Senate Bill No. 171 must be amended as follows:

"NEW SECTION. **Section 1. Adjustments to federal taxable income to determine Montana taxable income.** (1) The items in subsection (2) are added to and the items in subsection (3) are subtracted from federal taxable income to determine Montana taxable income.

(2) The following are added to federal taxable income:

(a) to the extent that it is not exempt from taxation by Montana under federal law, interest from obligations of a territory or another state or any political subdivision of a territory or another state and exempt-interest dividends attributable to that interest except to the extent already included in federal taxable income;

(b) a withdrawal from a medical care savings account provided for in Title 15, chapter 61, used for a purpose other than an eligible medical expense or long-term care of the employee or account holder or a dependent of the employee or account holder;

(c) a nonqualified withdrawal from a family education savings account provided for in Title 15, chapter 62, to the extent that it was deducted from income in calculating Montana individual income taxes;

(d) a withdrawal from a first-time home buyer savings account provided for in Title 15, chapter 63, used for a purpose other than for eligible costs for the purchase of a single-family residence;

(e) an item of income, deduction, or expense to the extent that it was used to calculate federal taxable income if the item was also used to calculate a credit against a Montana income tax liability;

(f) a deduction or expense upon which a state tax credit is computed under 33-22-2006 to the extent that it was included as a

deduction or expense in determining federal taxable income;

(g) a deduction for an income distribution from an estate or trust to a beneficiary that was included in the federal taxable income of an estate or trust in accordance with sections 651 and 661 of the Internal Revenue Code, 26 U.S.C. 651 and 661; and

(h) for a taxpayer that deducts state income taxes pursuant to section 164(a)(3) of the Internal Revenue Code, 26 U.S.C. 164(a)(3), an additional amount equal to the state income tax deduction claimed, not to exceed the amount required to reduce the federal itemized amount computed under section 161 of the Internal Revenue Code, 26 U.S.C. 161, to the amount of the federal standard deduction allowable under section 63(c) of the Internal Revenue Code, 26 U.S.C. 63(c).

(3) To the extent they are included as income or gain or not already excluded as a deduction or expense in determining federal taxable income, the following are subtracted from federal taxable income:

(a) if exempt from taxation by Montana under federal law:

(i) interest from obligations of the United States government and exempt-interest dividends attributable to that interest; and

(ii) railroad retirement benefits;

(b) salary received from the armed forces by residents who entered into active duty from Montana and are serving on active duty in the regular armed forces;

(c) interest and other income related to contributions that were made prior to January 1, 2016, that are retained in a medical care savings account provided for in Title 15, chapter 61, and any withdrawal for payment of eligible medical expenses or for the long-term care of the employee or account holder or a dependent of the employee or account holder;

(d) interest and other income related to contributions that were made prior to January 1, 2016, that are retained in a family education savings account provided for in Title 15, chapter 62, and any qualified withdrawal for payment of qualified higher education expenses;

(e) interest and other income related to contributions that were made prior to January 1, 2016, that are retained in a first-time home buyer savings account provided for in Title 15, chapter 63, and any withdrawal for payment of eligible costs for the first-time purchase of a single-family residence;

(f) a deduction for an income distribution from an estate or trust to a beneficiary in accordance with sections 651 and 661 of the Internal Revenue Code, 26 U.S.C. 651 and 661, recalculated according to the additions and subtractions in subsections (2) and (3)(a) through (3)(e), and (3)(g), and (3)(h); and

(g) for each taxpayer that has attained the age of 65, an additional subtraction of \$6,400; and

(h) the amount of a scholarship to an eligible student by a student scholarship organization pursuant to [section 10 of Senate Bill No. 410].

(4) By November 1 of each year, the department shall

multiply the subtraction from federal taxable income for a taxpayer that has attained the age of 65 contained in subsection (3)(g) by the inflation factor for that tax year, rounding the result to the nearest \$10. The resulting amount is effective for that tax year and must be used as the basis for the subtraction from federal taxable income determined under subsection (3)(g)."

**Renumber:** subsequent sections

7. Page 26, line 28.

**Strike:** "on passage and approval"

**Insert:** "January 1, 2016"

8. Page 26, line 30 through page 27, line 1.

**Strike:** "**Retroactive applicability**"

**Insert:** "**Applicability**"

**Strike:** "retroactively, within the meaning of 1-2-109,"

**Strike:** "2014"

**Insert:** "2015"

9. Page 27, line 3.

**Strike:** "2021"

**Insert:** "2023"

- END -

MONTANA STATE SENATE

ROLL CALL VOTE

**FREE CONFERENCE**

**COMMITTEE**

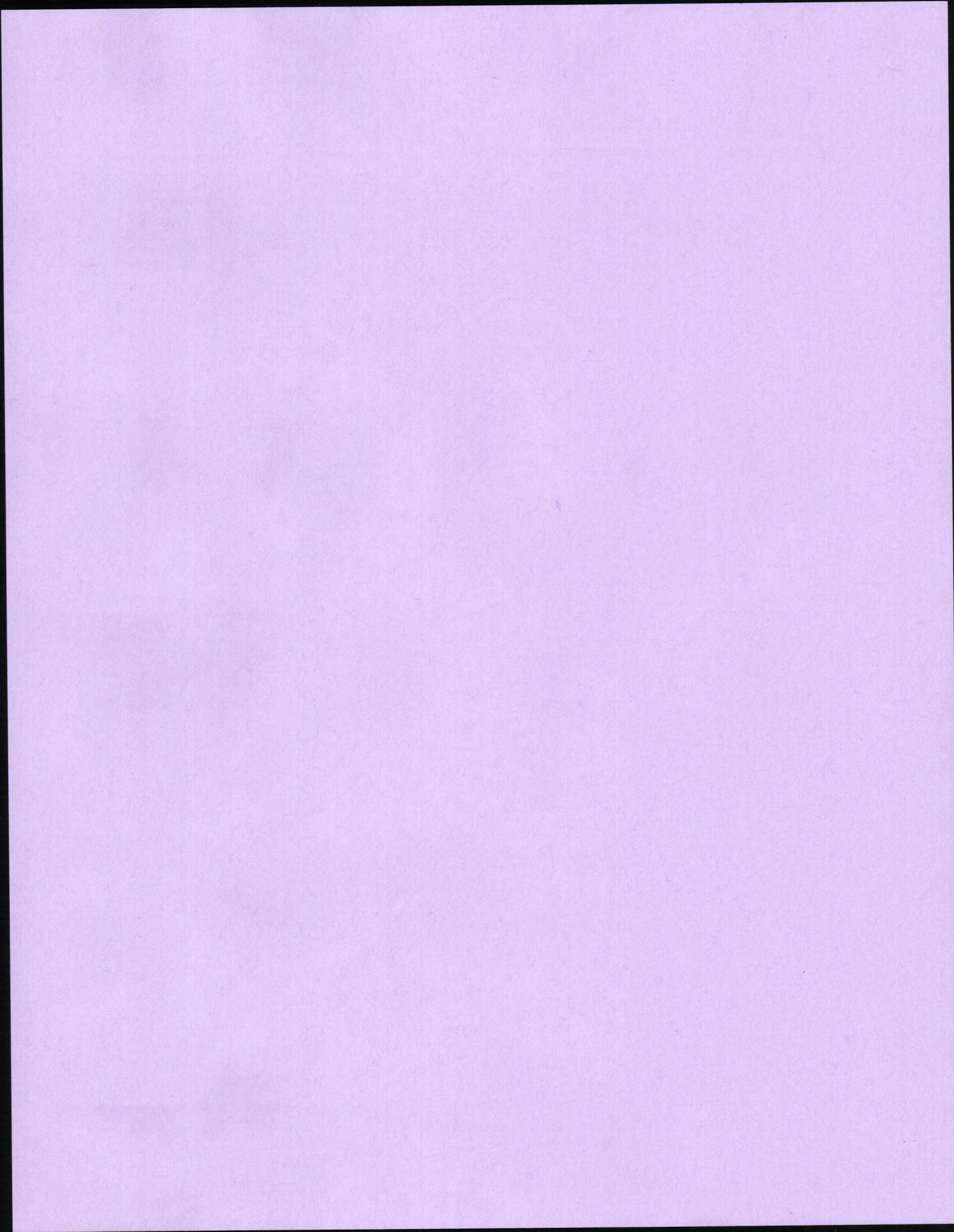
Date: 4/21/2015 HB/(SB) No. 410

NAME	AYE	NO
Sen. Jones	x	
Sen. Hansen	x	
Sen. Hamlett		<del>1</del>
Rep. Laszloffy	x	
Rep. Osmundson	x	
Rep. McClafferty	x	

Vote by chamber:

Senate: Aye 2 No         

House: Aye 3 No





# MONTANA STATE SENATE

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Senator. Jones <sup>vs</sup> <sup>Hudson</sup> has  
my proxy w/ SB 410

my husband

