

HOUSE BILL NO. 254

INTRODUCED BY M. MONFORTON

A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A CHILD INCOME TAX CREDIT FOR INDIVIDUALS WITH INCOME; AND PROVIDING AN APPLICABILITY DATE."

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

NEW SECTION. **Section 1. Child tax credit.** (1) There is allowed as a credit against the tax imposed by 15-30-2103 a percentage of the credit allowed for the federal child tax credit for which an individual taxpayer is eligible for the tax year under section 24 of the Internal Revenue Code, 26 U.S.C. 24.

(2) Subject to subsection (4), the amount of the credit is 25% of the amount of the credit determined for the tax year under 26 U.S.C. 24.

(3) Except for married taxpayers living apart who are treated as single under section 7703(b) of the Internal Revenue Code, 26 U.S.C. 7703(b), the credit is not allowed to married taxpayers if they report their income on separate tax forms. Married taxpayers filing separately on the same form may allocate the credit between spouses.

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

(b) There is no carryback or carryforward of the credit permitted under this section.

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].

NEW SECTION. **Section 3. Applicability.** [This act] applies to tax years beginning after December 31, 2015.

- END -