

HOUSE BILL NO. 542

INTRODUCED BY R. MARSHALL, E. BUTTREY, S. GUNDERSON, R. FITZGERALD, B. PHALEN, S. GIST,
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A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR AN INCOME TAX CREDIT FOR VOLUNTEER
FIREFIGHTERS AND VOLUNTEER EMERGENCY CARE PROVIDERS; AMENDING SECTION 15-30-2303,
MCA; AND PROVIDING AN APPLICABILITY DATE AND A TERMINATION DATE."

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

NEW SECTION. Section 1. Credit for volunteer firefighters and volunteer emergency care

providers. (1) There is allowed a credit against the tax imposed by 15-30-2103 in the amount of \$500 for a
qualified volunteer firefighter or volunteer emergency care provider.

(2) To be entitled to the credit authorized in subsection (1), a taxpayer, during the year for which
the credit is claimed, must have:

(a) been a volunteer firefighter as defined in 19-17-102 or a volunteer emergency care provider as
defined in 50-6-202;

(b) been an active, nonpaid member during the entire calendar year of the same volunteer fire
company organized under the provisions of Title 7, chapter 33, part 21, 22, 23, or 24, or the same emergency
medical service as defined in 50-6-302; and

(c) completed a minimum of 30 hours of training as specified in 19-17-108(3) for volunteer
firefighters or completed the number of training hours prescribed by the state board of medical examiners for
emergency care providers.

(3) A taxpayer claiming the credit allowed by this section shall provide, on forms provided by the
department, evidence that the taxpayer has been an active member of the same volunteer entity during the
entire calendar year referred to in subsection (2)(b) and has participated in the training referred to in subsection
(2)(c).

(4) If the amount of the credit exceeds the claimant's liability under this chapter, the amount of the

1 excess must be refunded to the claimant. The credit may be claimed even if the claimant has no taxable
2 income under this chapter.

3 (5) A taxpayer may not claim a credit as both a volunteer firefighter and a volunteer emergency
4 care provider under this section.

5 (6) Pursuant to 5-4-104, the legislature finds that the purpose of the tax credit provided for in this
6 section is to retain existing volunteer firefighters and volunteer emergency care providers and to recruit new
7 volunteers.

8

9 **Section 2.** Section 15-30-2303, MCA, is amended to read:

10 **"15-30-2303. Tax credits subject to review by interim committee.** (1) The following tax credits
11 must be reviewed during the biennium commencing July 1, 2019, and during each biennium commencing 10
12 years thereafter:

13 (a) the credit for contractor's gross receipts provided for in 15-50-207; and

14 (b) the credit for elderly homeowners and renters provided for in 15-30-2337 through 15-30-2341.

15 (2) The following tax credits must be reviewed during the biennium commencing July 1, 2021, and
16 during each biennium commencing 10 years thereafter:

17 (a) the credit for donations to an educational improvement account provided for in 15-30-2334, 15-
18 30-3110, and 15-31-158; and

19 (b) the credit for donations to a student scholarship organization provided for in 15-30-2335, 15-
20 30-3111, and 15-31-159.

21 (3) The following tax credits must be reviewed during the biennium commencing July 1, 2023, and
22 during each biennium commencing 10 years thereafter:

23 (a) the credit for infrastructure use fees provided for in 17-6-316;

24 (b) the credit for contributions to a qualified endowment provided for in 15-30-2327 through 15-30-
25 2329, 15-31-161, and 15-31-162; and

26 (c) the credit for property to recycle or manufacture using recycled material provided for in Title 15,
27 chapter 32, part 6.

28 (4) The following tax credits must be reviewed during the biennium commencing July 1, 2025, and

1 during each biennium commencing 10 years thereafter:

2 (a) the credit for preservation of historic buildings provided for in 15-30-2342 and 15-31-151;

3 (b) the credit for unlocking state lands provided for in 15-30-2380;

4 (c) the job growth incentive tax credit provided for in 15-30-2361 and 15-31-175; and

5 (d) the credit for trades education and training provided for in 15-30-2359 and 15-31-174.

6 (5) The following tax credits must be reviewed during the biennium commencing July 1, 2027, and

7 during each biennium commencing 10 years thereafter:

8 (a) the credit for hiring a registered apprentice or veteran apprentice provided for in 15-30-2357

9 and 15-31-173;

10 (b) the earned income tax credit provided for in 15-30-2318; ~~and~~

11 (c) the media production and postproduction credits provided for in 15-31-1007 and 15-31-1009;

12 and

13 (d) the credit for volunteer firefighters and volunteer emergency care providers provided for in

14 [section 1].

15 (6) The revenue interim committee shall review the tax credits scheduled for review and make
16 recommendations in accordance with 5-11-210 at the conclusion of the full review to the legislature about
17 whether to eliminate or revise the credits. The committee shall also review any tax credit with an expiration date
18 or termination date that is not listed in this section in the biennium before the credit is scheduled to expire or
19 terminate.

20 (7) The revenue interim committee shall review the credits using the following criteria:

21 (a) whether the credit changes taxpayer decisions, including whether the credit rewards decisions
22 that may have been made regardless of the existence of the tax credit;

23 (b) to what extent the credit benefits some taxpayers at the expense of other taxpayers;

24 (c) whether the credit has out-of-state beneficiaries;

25 (d) the timing of costs and benefits of the credit and how long the credit is effective;

26 (e) any adverse impacts of the credit or its elimination and whether the benefits of continuance or
27 elimination outweigh adverse impacts; and

28 (f) the extent to which benefits of the credit affect the larger economy. (Subsection (4)(d))

1 terminates December 31, 2026--sec. 7, Ch. 248, L. 2021; subsection (4)(c) terminates December 31, 2028--
2 sec. 24(1), Ch. 550, L. 2021.)"

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4 NEW SECTION. Section 3. Codification instruction. [Section 1] is intended to be codified as an
5 integral part of Title 15, chapter 30, and the provisions of Title 15, chapter 30, apply to [section 1].

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7 NEW SECTION. Section 4. Applicability. [This act] applies to income tax years beginning after
8 December 31, 2023.

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10 NEW SECTION. Section 5. Termination. [Sections 1 and 2] terminate December 31, 2029.

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