

HOUSE BILL NO. 452
INTRODUCED BY RASER

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A TAX CREDIT FOR CONTRIBUTIONS TO AN ACCOUNT TO BE USED FOR PROVIDING SERVICES TO INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES WHO ARE 18 YEARS OF AGE OR OLDER; PROVIDING FOR THE USE OF MONEY IN THE ACCOUNT; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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

NEW SECTION. Section 1. Developmental disability adult services account -- funding -- use -- LIMITATION. (1) There is a developmental disability adult services account in the state special revenue fund. Money is payable into the account from donations for purposes of providing services to individuals with developmental disabilities who are 18 years of age or older. THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES SHALL PROVIDE THE DEPARTMENT OF REVENUE WITH A LIST OF TAXPAYERS MAKING DONATIONS TO THE ACCOUNT.

(2) MONEY SUBJECT TO SUBSECTION (3), MONEY in the account must be used to provide services to individuals who are 18 years of age or older pursuant to this chapter. The department of public health and human services may seek federal matching funds for expenditures from the account. MONEY IN THE ACCOUNT FOR WHICH A TAX CREDIT WAS CLAIMED MUST BE REIMBURSED TO THE GENERAL FUND FOR THE AMOUNT OF THE CREDIT TAKEN IN THE PREVIOUS TAX YEAR. THE REMAINING MONEY IN THE ACCOUNT MUST BE USED TO SUPPLEMENT EXISTING FUNDING.

(3) EXPENDITURES FROM THE ACCOUNT IN THE PREVIOUS BIENNIUM MAY NOT BE INCLUDED IN THE BASE BUDGET, AS DEFINED IN 17-7-102, OF THE DEPARTMENT FOR THE CURRENT BIENNIUM.

NEW SECTION. Section 2. Credit for contributions to developmental disability adult services account. (1) An individual, corporation, partnership, or small business corporation, as defined in 15-30-1101, is allowed a credit against taxes imposed by 15-30-103 or 15-31-101 in an amount equal to the contributions made to the account provided for in ~~section 1~~. THE CREDIT MUST BE CALCULATED PURSUANT TO AND IS SUBJECT TO THE LIMITATIONS PROVIDED IN 15-30-166. The credit may not exceed the taxpayer's income tax liability. A TAXPAYER CLAIMING A CREDIT UNDER THIS SECTION MAY NOT CLAIM A DEDUCTION FOR THE CONTRIBUTION FOR WHICH A CREDIT IS

CLAIMED.

(2) There is no carryback or carryforward of the credit provided for in this section. The credit must be applied in the year the donation is made, as determined by the taxpayer's accounting method.

NEW SECTION. Section 3. Codification instructions. (1) [Section 1] is intended to be codified as an integral part of Title 53, chapter 20, and the provisions of Title 53, chapter 20, apply to [section 1].

(2) [Section 2] is intended to be codified as an integral part of Title 15, chapter 30, and the provisions of Title 15, chapter 30, apply to [section 2].

NEW SECTION. Section 4. Effective date. [This act] is effective on passage and approval.

NEW SECTION. Section 5. Retroactive applicability. [This act] applies retroactively, within the meaning of 1-2-109, to tax years beginning after December 31, 2002.

- END -