

HOUSE BILL NO. 240

INTRODUCED BY NOONEY, BECK, BLASDEL, GALLIK, GLASER, HENDRICK, L. JONES, KOTTEL,
O'HARA, ROSS, WARD

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A TEMPORARY EMERGENCY LODGING PROGRAM FOR INDIVIDUALS AND FAMILIES DISPLACED FROM THEIR RESIDENCES; PROVIDING A TAX CREDIT FOR PARTICIPATING ESTABLISHMENTS; ESTABLISHING LIABILITY FOR DAMAGES; AND PROVIDING AN APPLICABILITY DATE."

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

NEW SECTION. **Section 1. Temporary emergency lodging program -- definitions.** (1) There is a voluntary temporary emergency lodging program for licensed establishments LOCATED IN MONTANA to assist designated charitable organizations in providing short-term lodging IN MONTANA to individuals and families displaced from their residences.

(2) ~~Participating~~ EXCEPT AS PROVIDED IN SUBSECTION (8), PARTICIPATING establishments may receive a tax credit as provided in [section 3] for providing temporary lodging to an individual who is:

(a) displaced from the individual's residence because of:

(i) natural disaster OR ARTIFICIAL CAUSE; or

(ii) temporary immediate danger to ~~life~~ THE INDIVIDUAL posed by an assault, AS DESCRIBED IN 45-5-206, or potential assault by a partner or family member, as defined in 45-5-206; and

(b) referred to the establishment by a designated charitable organization.

(3) ~~Establishments~~ EXCEPT AS PROVIDED IN SUBSECTION (8), ESTABLISHMENTS participating in the temporary emergency lodging program are eligible for a tax credit as provided in [section 3] for up to five nights of lodging for each individual per calendar year.

(4) Temporary emergency lodging provided under this section must be provided at no cost to the individual or the referring organization.

(5) Participating establishments may offer lodging based on availability of rooms.

(6) The department shall maintain a registry of designated charitable organizations and shall provide a list of approved organizations to establishments upon request. The department shall seek comment from statewide nonprofit organizations that work with victims of disaster and domestic violence when developing and

updating the registry.

(7) For the purposes of [section 2] and this section, the following definitions apply:

(A) "ARTIFICIAL CAUSE" INCLUDES BUT IS NOT LIMITED TO ACCIDENTS INVOLVING HAZARDOUS MATERIALS, AIR AND WATER CONTAMINATION, BUILDING FIRES, AND EXPLOSIONS.

~~(a)~~(B) "Designated charitable organization" means an organization approved by the department to make referrals for temporary emergency lodging.

~~(b)~~(C) "Natural disaster" includes but is not limited to fire, flood, earthquake, LANDSLIDE, MUDSLIDE, SNOWSTORM, or wind.

(8) THE TAX CREDIT REFERRED TO IN SUBSECTIONS (2) AND (3) DOES NOT APPLY TO THE COSTS OF PROVIDING LODGING TO AN INDIVIDUAL WHO IS DISPLACED BY A MAJOR DISASTER DECLARED BY THE PRESIDENT UNDER 42 U.S.C. 5170 OR 5191 AND WHO RECEIVES FINANCIAL ASSISTANCE FOR TEMPORARY HOUSING UNDER 42 U.S.C. 5174.

NEW SECTION. Section 2. Temporary emergency lodging -- liability for damages. (1) An individual who is provided with temporary emergency lodging under [section 1] is liable for damages caused to the property during the individual's stay.

(2) If the individual is unable to pay for damages caused to the property, the designated charitable organization that referred the individual for temporary emergency lodging is responsible for the cost of the damages.

NEW SECTION. Section 3. Tax credit for providing temporary emergency lodging. (1) There is a credit for taxes otherwise due under this chapter for participation in the temporary emergency lodging program established in [section 1].

(2) The tax credit is:

(a) equal to ~~the lesser of the actual cost of providing the lodging or the applicable average state per diem LODGING RATE for the region LOCATION pursuant to 2-18-501~~ \$30 FOR EACH DAY OF LODGING PROVIDED; and

(b) limited to a maximum of five nights' lodging for each individual per calendar year.

(3) THE CREDIT MAY BE CLAIMED ONLY FOR LODGING PROVIDED IN MONTANA.

~~(3)~~(4) If the amount of the credit exceeds the taxpayer's liability under this chapter, the amount of the excess must be refunded to the taxpayer. The credit may be claimed even if the taxpayer has no tax liability.

(5) IF THE CREDIT ALLOWED UNDER THIS SECTION IS CLAIMED BY A SMALL BUSINESS CORPORATION, AS DEFINED IN 15-30-1101, OR A PARTNERSHIP, THE CREDIT MUST BE ATTRIBUTED TO SHAREHOLDERS OR PARTNERS, USING THE

SAME PROPORTION TO REPORT THE CORPORATION'S OR PARTNERSHIP'S INCOME OR LOSS FOR MONTANA INCOME TAX PURPOSES.

NEW SECTION. Section 4. Codification instructions. (1) [Sections 1 and 2] are intended to be codified as an integral part of Title 50, chapter 51, and the provisions of Title 50, chapter 51, apply to [sections 1 and 2].

(2) [Section 3] is intended to be codified as an integral part of Title 15, chapter 30, part 1, and Title 15, chapter 31, part 1, and the provisions of Title 15, chapter 30, and Title 15, chapter 31, apply to [section 3].

NEW SECTION. Section 5. Applicability. [This act] applies to tax years beginning after December 31, 2007.

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