

HOUSE BILL NO. 157

INTRODUCED BY W. STAHL

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A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A REFUNDABLE INCOME TAX CREDIT FOR THE AMOUNT OF PROPERTY TAXES PAID ON \$20,000 OF MARKET VALUE OF A PRINCIPAL RESIDENCE ATTRIBUTABLE TO THE 95-MILL STATEWIDE LEVIES TO FUND SCHOOLS; AMENDING SECTION 15-30-2336, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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

**Section 1.** Section 15-30-2336, MCA, is amended to read:

**"15-30-2336. Refundable income tax credit -- statewide equalization property tax levies on principal residence -- rules.** (1) (a) There is a credit against the tax imposed by this chapter, which is calculated by multiplying the amount of property taxes imposed and paid on a property taxpayer's principal residence under 20-9-331, 20-9-333, and 20-9-360 on \$20,000 of market value on the residence times the relief multiple.

(b) As used in subsection (1)(a), the relief multiple is a number used to change the amount of tax relief allowed under this section. The relief multiple is  $\theta$  5. Each interim, the revenue and transportation interim committee shall, based upon actual and projected state revenue and spending and any other appropriate factors, determine if a change in the relief multiple is justified. If a change is justified, the committee shall request a bill to change the relief multiple.

(2) As used in this section, "principal residence" means a class four residential dwelling under 15-6-134 that is a single-family dwelling unit, unit of a multiple-unit dwelling, trailer, manufactured home, or mobile home and as much of the surrounding land, not exceeding 1 acre, as is reasonably necessary for its use as a dwelling and that is occupied by the owner for at least 7 months during the tax year.

(3) Only one claim may be made with respect to any property.

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

(5) The department may adopt rules to implement and administer this section."

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2           NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

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4           NEW SECTION. **Section 3. Retroactive applicability.** [This act] applies retroactively, within the  
5 meaning of 1-2-109, to tax years beginning after December 31, 2010.

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