

HOUSE BILL NO. 775

INTRODUCED BY S. MORIGEAU

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A BILL FOR AN ACT ENTITLED: "AN ACT EXPANDING THE EMPOWERMENT ZONE TAX CREDIT FOR JOB CREATION TO CERTAIN JOBS CREATED IN HIGH-POVERTY COUNTIES; AMENDING SECTION 15-30-2356, 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 15-30-2356, MCA, is amended to read:

**"15-30-2356. Empowerment zone new employees -- high-poverty county new employees -- tax credit.** (1) There is a credit for taxes due under 15-30-2103 for an employer for each new employee at a business in an empowerment zone created pursuant to Title 7, chapter 21, part 37, or in a high-poverty county as defined in 90-1-201, subject to the conditions in subsection (3). The taxpayer must be certified by the department of labor and industry to be eligible to receive the credit as provided in 7-21-3710.

(2) The amount of the credit for each qualifying employee is:

1st year of employment	\$500
2nd year of employment	\$1,000
3rd year of employment	\$1,500

(3) To be eligible for a tax credit under this section for creating jobs in a high-poverty county, the taxpayer may not have received for the same jobs any state grants under Title 39, chapter 11, Title 53, chapter 2, part 12, or Title 90, chapter 1, part 2.

~~(3)~~(4) If the amount of the credit exceeds the taxpayer's liability, the credit may be carried forward 7 years and carried back 3 years. The entire amount of the tax credit not used in the year earned must be carried first to the earliest tax year in which the credit may be applied and then to each succeeding tax year."

**NEW SECTION. Section 2. Notification to tribal governments.** The secretary of state shall send a copy of [this act] to each tribal government located on the seven Montana reservations and to the Little Shell Chippewa tribe.



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2           NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval.

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4           NEW SECTION. **Section 4. Retroactive applicability.** [This act] applies retroactively, within the  
5 meaning of 1-2-109, to tax years beginning after December 31, 2018, for jobs created on or after January 1, 2019.

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