

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE RESIDENTIAL PROPERTY TAX CREDIT FOR
5 THE ELDERLY; INCREASING THE MAXIMUM CREDIT THAT MAY BE CLAIMED; AMENDING SECTION 15-
6 30-2340, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE
7 APPLICABILITY DATE."
8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
10

11 **Section 1.** Section 15-30-2340, MCA, is amended to read:

12 **"15-30-2340. Residential property tax credit for elderly -- computation of relief.** The amount of
13 the tax credit granted under the provisions of 15-30-2337 through 15-30-2341 is computed as follows:

14 (1) In the case of a claimant who owns the homestead for which a claim is made, the credit is the
15 amount of property tax billed less the deduction specified in subsection (4).

16 (2) In the case of a claimant who rents the homestead for which a claim is made, the credit is the
17 amount of rent-equivalent tax paid less the deduction specified in subsection (4).

18 (3) In the case of a claimant who both owns and rents the homestead for which a claim is made, the
19 credit is:

20 (a) the amount of property tax billed on the owned portion of the homestead less the deduction
21 specified in subsection (4); plus

22 (b) the amount of rent-equivalent tax paid on the rented portion of the homestead less the deduction
23 specified in subsection (4).

24 (4) Property tax billed and rent-equivalent tax paid are reduced according to the following schedule:

Household income	Amount of reduction
\$0 - \$999	\$0
\$1,000 - \$1,999	\$0

\$2,000 - \$2,999	the product of .006 times the household income
\$3,000 - \$3,999	the product of .016 times the household income
\$4,000 - \$4,999	the product of .024 times the household income
\$5,000 - \$5,999	the product of .028 times the household income
\$6,000 - \$6,999	the product of .032 times the household income
\$7,000 - \$7,999	the product of .035 times the household income
\$8,000 - \$8,999	the product of .039 times the household income
\$9,000 - \$9,999	the product of .042 times the household income
\$10,000 - \$10,999	the product of .045 times the household income
\$11,000 - \$11,999	the product of .048 times the household income
\$12,000 & over	the product of .050 times the household income

1 (5) For a claimant whose household income is \$35,000 or more but less than \$45,000, the amount of
 2 the credit is equal to the credit calculated under this section multiplied by the decimal equivalent of a
 3 percentage figure according to the following table:

Gross household income	Percentage of credit allowed
\$35,000 - \$37,500	40%
\$37,501 - \$40,000	30%
\$40,001 - \$42,500	20%
\$42,501 - \$44,999	10%
\$45,000 or more	0%

4 (6) The credit granted may not exceed ~~\$1,000~~ \$1,700.

5 (7) Relief under 15-30-2337 through 15-30-2341 is a credit against the claimant's Montana individual
 6 income tax liability for the claim period. If the amount of the credit exceeds the claimant's liability under this
 7 chapter, the amount of the excess must be refunded to the claimant. The credit may be claimed even though
 8 the claimant has no income taxable under this chapter."

9

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

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