

1 HOUSE BILL NO. 325  
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 6 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE DISABLED VETERAN PROPERTY TAX  
 7 ASSISTANCE PROGRAM; ~~EXEMPTING RETIREMENT INCOME WHEN CONSIDERING PROGRAM~~  
 8 ~~ELIGIBILITY~~; PROVIDING FOR CONTINUED ELIGIBILITY WHEN UNUSUAL INCREASES IN INCOME  
 9 OCCUR; ~~REVISING A DEFINITION~~; AMENDING ~~SECTIONS 15-6-301 AND SECTION~~ 15-6-302, MCA; AND  
 10 PROVIDING AN APPLICABILITY DATE."

11  
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13  
 14 **Section 1.** ~~Section 15-6-301, MCA, is amended to read:~~

15 ~~"15-6-301. Definitions. As used in this part, the following definitions apply:~~

16 ~~(1) "Annual verification" means the use of a process to:~~

17 ~~(a) verify an applicant's income;~~

18 ~~(b) approve, renew, or deny benefits for the current year based upon the applicant's eligibility; and~~

19 ~~(c) terminate participation based upon death or loss of status as a qualified veteran or veteran's~~

20 ~~spouse.~~

21 ~~(2) "PCE" means the implicit price deflator (price index) for personal consumption expenditures as~~

22 ~~published in the national income and product accounts by the bureau of economic analysis of the U.S.~~

23 ~~department of commerce.~~

24 ~~(3) "PCE inflation factor" for a tax year means the PCE price index value for the first quarter of the~~

25 ~~prior tax year before the tax year divided by the PCE price index value for the first quarter of 2015.~~

26 ~~(4) (a) "Primary residence" is, subject to the provisions of subsection (4)(b), a dwelling:~~

27 ~~(i) in which a taxpayer can demonstrate the taxpayer lived for at least 7 months of the year for~~

28 ~~which benefits are claimed;~~

1 ~~(ii) — that is the only residence for which property tax assistance is claimed; and~~

2 ~~(iii) — determined using the indicators provided for in the rules authorized by 15-6-302(2).~~

3 ~~(b) — A primary residence may include more than one dwelling when the taxpayer's combined~~  
4 ~~residence in the dwellings is at least 7 months of the tax year.~~

5 ~~(5) — "Qualified veteran" means a veteran:~~

6 ~~(a) — who was killed while on active duty or died as a result of a service-connected disability; or~~

7 ~~(b) — if living:~~

8 ~~(i) — was honorably discharged from active service in any branch of the armed services; and~~

9 ~~(ii) — is currently rated 100% disabled or is paid at the 100% disabled rate by the U.S. department of~~  
10 ~~veterans affairs for a service-connected disability, as verified by official documentation from the U.S.~~  
11 ~~department of veterans affairs.~~

12 ~~(6) — "Qualifying income" means:~~

13 ~~(a) — the federal adjusted gross income excluding capital and income losses of an applicant and the~~  
14 ~~applicant's spouse as calculated on the Montana income tax return for the prior year;~~

15 ~~(b) — for assistance under 15-6-311, the federal adjusted gross income excluding income from~~  
16 ~~individual retirement account distributions, annuities, pensions, and other retirement benefits, social security~~  
17 ~~benefits, and capital and income losses of an applicant as calculated on the Montana income tax return for the~~  
18 ~~prior tax year; or~~

19 ~~(c) — for an applicant who is not required to file a Montana income tax return, the income determined~~  
20 ~~using available income information.~~

21 ~~(7) — "Qualifying property" means a primary residence that a qualified applicant owned and occupied~~  
22 ~~for at least 7 months during the tax year.~~

23 ~~(8) — "Residential real property" means the land and improvements of a taxpayer's primary~~  
24 ~~residence."~~

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26 **Section 1.** Section 15-6-302, MCA, is amended to read:

27 **"15-6-302. Property tax assistance -- rulemaking.** (1) The requirements of this section must be met  
28 for a taxpayer to qualify for property tax assistance under 15-6-305 or 15-6-311.