

1 HOUSE BILL NO. 325
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5
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."

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

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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;~~

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

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

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

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

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

~~(b) — if living:~~

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

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

~~(6) — "Qualifying income" means:~~

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

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

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

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

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

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

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