

1 SENATE BILL NO. 502
2 INTRODUCED BY D. LENZ

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING AN INCOME TAX CREDIT FOR NURSING HOME
5 EXPENSES; PROVIDING THAT THE CREDIT IS FOR PRIVATE PAY TAXPAYERS WHOSE NURSING
6 HOME EXPENSES EXCEED THE MEDICAID REIMBURSEMENT RATE; PROVIDING DEFINITIONS;
7 AMENDING SECTION 15-30-2303, MCA; AND PROVIDING AN APPLICABILITY DATE."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10
11 NEW SECTION. Section 1. Credit for nursing home expenses. (1) There is credit against the
12 taxes imposed by this chapter equal to 40% of a qualifying taxpayer's nursing home expenses that exceed the
13 medicaid reimbursement rate for care in a nursing home.

14 (2) The credit may not be refunded if the taxpayer has a tax liability less than the amount of the
15 credit and may not be carried to another tax year.

16 (3) A taxpayer may claim the credit for a maximum of 3 years.

17 (4) The aggregate amount of tax credits allowed under this section for each qualifying resident is
18 \$6,000 per year. If more than one qualifying taxpayer claims the credit for paying nursing home expenses of a
19 qualifying resident, the aggregate limit is allocated to each qualifying taxpayer in proportion to the percentage of
20 nursing home expenses paid by each qualifying taxpayer.

21 ~~(4)~~(5) As used in this section, the following definitions apply:

22 (a) "Nursing home expenses" means expenses paid to a facility that provides skilled nursing care
23 as defined in 50-5-101 and is certified by the centers for medicare and medicaid services to participate in the
24 medicare or medicaid program.

25 (b) "Qualifying ~~taxpayer resident~~" means a taxpayer person for whom nursing home expenses are
26 not paid through the medicaid program.

27 (c) "Qualifying taxpayer" means a person that pays nursing home expenses of a qualifying
28 resident and includes a qualifying resident and a parent, child, or guardian of a qualifying resident.