

## HOUSE BILL NO. 24

INTRODUCED BY T. WELCH

BY REQUEST OF THE REVENUE INTERIM COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE REVENUE INTERIM COMMITTEE'S INCOME TAX CREDIT REVIEW SCHEDULE; AND AMENDING SECTION 15-30-2303, MCA."

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

**Section 1.** Section 15-30-2303, MCA, is amended to read:

**"15-30-2303. Tax credits subject to review by interim committee.** ~~(1) The following tax credits must be reviewed during the biennium commencing July 1, 2019, and during each biennium commencing 10 years thereafter:~~

~~(a) the credit for contractor's gross receipts provided for in 15-50-207; and~~

~~(b) the credit for elderly homeowners and renters provided for in 15-30-2337 through 15-30-2341.~~

~~(2)(1)~~ The following tax credits must be reviewed during the biennium commencing July 1, 2021, and during each biennium commencing ~~40~~ 8 years thereafter:

(a) the credit for donations to ~~an educational improvement account~~ innovative educational programs provided for in 15-30-2334, 15-30-3110, and 15-31-158; and

(b) the credit for donations to a student scholarship organization provided for in 15-30-2335, 15-30-3111, and 15-31-159.

~~(3)(2)~~ The following tax credits must be reviewed during the biennium commencing July 1, 2023, and during each biennium commencing ~~40~~ 8 years thereafter:

(a) the credit for infrastructure use fees provided for in 17-6-316;

(b) the credit for contributions to a qualified endowment provided for in 15-30-2327 through 15-30-2329, 15-31-161, and 15-31-162; ~~and~~

(c) the credit for property to recycle or manufacture using recycled material provided for in Title 15, chapter 32, part 6; and

1 ~~(d)~~ (d) the credit for preservation of historic buildings provided for in 15-30-2342 and 15-31-151.

2 ~~(4)(3)~~ The following tax credits must be reviewed during the biennium commencing July 1, 2025, and  
3 during each biennium commencing ~~40~~ 8 years thereafter:

4 ~~(a) the credit for preservation of historic buildings provided for in 15-30-2342 and 15-31-151;~~

5 (a) the residential property tax credit for the elderly provided for in 15-30-2337 through 15-30-  
6 2341;

7 (b) the credit for unlocking state lands provided for in 15-30-2380;

8 (c) the job growth incentive tax credit provided for in 15-30-2361 and 15-31-175; and

9 (d) the credit for trades education and training provided for in 15-30-2359 and 15-31-174.

10 ~~(5)(4)~~ The following tax credits must be reviewed during the biennium commencing July 1, 2027, and  
11 during each biennium commencing ~~40~~ 8 years thereafter:

12 (a) the credit for hiring a registered apprentice or veteran apprentice provided for in 15-30-2357  
13 and 15-31-173;

14 (b) the earned income tax credit provided for in 15-30-2318; ~~and~~

15 (c) the media production and postproduction credits provided for in 15-31-1007 and 15-31-1009;  
16 and

17 (d) the credit for contractor's gross receipts provided for in 15-50-207.

18 ~~(6)(5)~~ The revenue interim committee shall review the tax credits scheduled for review and make  
19 recommendations in accordance with 5-11-210 at the conclusion of the full review to the legislature about  
20 whether to eliminate or revise the credits. The committee shall also review any tax credit with an expiration date  
21 or termination date that is not listed in this section in the biennium before the credit is scheduled to expire or  
22 terminate.

23 ~~(7)(6)~~ The revenue interim committee shall review the credits using the following criteria:

24 (a) whether the credit changes taxpayer decisions, including whether the credit rewards decisions  
25 that may have been made regardless of the existence of the tax credit;

26 (b) to what extent the credit benefits some taxpayers at the expense of other taxpayers;

27 (c) whether the credit has out-of-state beneficiaries;

28 (d) the timing of costs and benefits of the credit and how long the credit is effective;

