

1 **** BILL NO. ****
2 INTRODUCED BY ****
3 BY REQUEST OF THE ****
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE CAPITAL GAINS TAX CREDIT BY CALCULATING
6 THE CREDIT ON THE LESSER OF NET MONTANA SOURCE LONG-TERM CAPITAL GAINS OR TAXABLE
7 INCOME; AMENDING SECTION 15-30-2301, MCA; AND PROVIDING AN APPLICABILITY DATE."

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

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11 **Section 1.** Section 15-30-2301, MCA, is amended to read:

12 **"15-30-2301. Capital gains credit.** An individual taxpayer with Montana source long-term capital
13 gains is allowed a credit against the taxes imposed by 15-30-2103 in an amount equal to ~~1% of the taxpayer's~~
14 ~~net capital gains for tax years 2005 and 2006 and~~ 2% of the lesser of the taxpayer's net Montana source long-
15 term capital gains or taxable income for tax years beginning after 2006, as shown on the taxpayer's individual
16 income tax return filed pursuant to 15-30-2602. The credit allowed under this section may not exceed the
17 taxpayer's income tax liability."

18
19 NEW SECTION. **Section 2. Applicability.** [This act] applies to tax years beginning after December
20 31, 2021.

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22 - END -