



Revenue Interim Committee

67th Montana Legislature

PO BOX 201706
Helena, MT 59620-1706
(406) 444-3064
FAX (406) 444-3036

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JARET COLES, Staff Attorney
ALEXIS NEWCOMER, Secretary

TO: Revenue Interim Committee

FROM: Megan Moore, Committee staff

DATE: June 6, 2022

RE: Student Scholarship Organization Credit Additional Information

At the April 2022 Revenue Interim Committee meeting, members requested the following additional information to inform the review of the student scholarship organization credit:

- ACE Scholarships award criteria related to income; and
- Montana tax credits that provide a 100% credit.

ACE Scholarships Go to Students with Income Up to 250% of Federal Poverty Level

ACE Scholarships provides scholarships to students with family incomes of up to 250% of the federal poverty level, or about \$57,000 for a family of three. They also "do our best to prioritize students based on the greatest level of need, which means that many ACE families have incomes below that level – some significantly so."¹

Three 100% Credits: Infrastructure Users' Fee, Student Scholarship Organization, Innovative Education

The only 100% income tax credit other than the student scholarship organization credit and the innovative education credit is the infrastructure users' fee credit provided for in [17-6-316](#).

A business may claim a credit for the fee paid to a local government to extend infrastructure to the business. The loan to the local government must be part of a Board of Investment loan program to finance local government infrastructure. The infrastructure users' fee credit may be carried back 3 years and carried forward 7 years.

¹ Email from Ross Izard to Megan Moore, April 20, 2022.