

HB 408 Revise Student Scholarship Organization and Innovative Education Tax Credits Summary

Overview

HB 408 increases the tax credit caps available under the Innovative Educational Program (IEP) public-school tax credit and the Student Scholarship Organization (SSO) program for non-public schools. This summary is in reference to the IEP public-school tax credit portion only.

School districts that receive tax credit donations are to deposit those funds into the school district's miscellaneous programs fund and must spend the donated funds for innovative educational programs defined in 15-30-3102, MCA.

The bill expands the list of eligible uses of these funds to include distributions to capital improvements and equipment necessary to support an innovative educational program.

School districts are limited to the amount of tax credit donations a district may retain. Donations more than the greater of \$50,000 or 15% of the district's maximum general fund budget or 20% of the maximum amount of statewide donations allowed for that fiscal year must be transferred to OPI to the Innovative Educational Program state special revenue account.

HB 408 establishes the Innovative Educational Program state special revenue account to be administered by the Superintendent of Public Instruction and statutorily appropriates revenue in the account. The account revenues come from excess donations transferred from school districts where tax credit donations exceeded limits set within this legislation plus interest and earnings from the account.

The OPI is to distribute the funds received in the innovative educational program account to school districts for advanced opportunity aid under 20-7-1506(4), MCA, and deposited in school districts' flexibility fund to be used to pay pupil costs as provided in 20-7-1506(5)(a).

The funds must be distributed at the same time as the advanced opportunity aid distributions by October 1 each year.

Current Available Guidance

The OPI has provided guidance to districts through two guidance documents linked here:

[Tax Credit Scholarship and Innovation Education Program Guidance \(mt.gov\)](#)

[MT Advanced Opportunity Aid Guidance](#)

Information for limitations to the amount of tax credit donations a district may retain are also posted:

[Tax Credit Donation Maximum Limits \(mt.gov\)](#)

[ED² - Home \(mt.gov\)](#) DOR Education Donations

Analysis

Co	Co Name	LE	District Name	Tax Credit Limit	Donation	Over/Under
05	Carbon	0057	Red Lodge H S	295,173	10,000	Under
07	Cascade	0098	Great Falls Elem	1,000,000	371,400	Under
07	Cascade	0099	Great Falls H S	1,000,000	628,600	Under
08	Chouteau	0154	Geraldine K-12	147,232	16,915	Under
12	Deer Lodge	0236	Anaconda Elem	946,766	2,500	Under
12	Deer Lodge	0237	Anaconda H S	462,924	12,500	Under
14	Fergus	0258	Lewistown Elem	1,000,000	2,500	Under
14	Fergus	0259	Fergus H S	519,709	10,000	Under
15	Flathead	0310	Kalispell Elem	1,000,000	373,500	Under
15	Flathead	0311	Flathead H S	1,000,000	360,250	Under
15	Flathead	0313	Columbia Falls H S	951,000	10,000	Under
15	Flathead	0327	Somers Elem	667,054	40,300	Under
15	Flathead	0330	Bigfork Elem	726,880	25,000	Under
15	Flathead	0331	Bigfork H S	511,934	5,000	Under
15	Flathead	0334	Whitefish Elem	1,000,000	60,000	Under
15	Flathead	0335	Whitefish H S	814,424	10,000	Under
15	Flathead	0339	Evergreen Elem	840,601	10,000	Under
15	Flathead	1184	West Valley Elem	861,902	12,500	Under
16	Gallatin	0350	Bozeman Elem	1,000,000	10,000	Under
16	Gallatin	0351	Bozeman H S	1,000,000	216,200	Under
16	Gallatin	0363	Monforton Elem	771,476	1,000	Under
16	Gallatin	0364	Gallatin Gateway Elem	200,611	3,300	Under
16	Gallatin	0367	LaMotte Elem	100,103	1,200	Under
16	Gallatin	0376	Amsterdam Elem	184,218	850	Under
16	Gallatin	1239	Big Sky School K-12	585,218	574,000	Under
20	Granite	0419	Drummond Elem	164,844	20,000	Under
20	Granite	0420	Drummond H S	139,731	32,000	Under
21	Hill	0428	Havre H S	729,446	2,000	Under
21	Hill	1233	North Star Elem	194,667	5,000	Under
21	Hill	1234	North Star HS	123,543	56,000	Under
22	Jefferson	0453	Whitehall Elem	398,251	40,000	Under
22	Jefferson	0454	Whitehall H S	234,501	40,000	Under
22	Jefferson	0460	Montana City Elem	566,157	94,484	Under
24	Lake	0477	Polson Elem	1,000,000	500	Under
24	Lake	0478	Polson H S	736,727	500	Under
24	Lake	1211	Upper West Shore Elem	70,931	20,000	Under
25	Lewis & Clark	0487	Helena Elem	1,000,000	19,250	Under
25	Lewis & Clark	0488	Helena H S	1,000,000	4,250	Under
25	Lewis & Clark	0491	Trinity Elem	50,000	50,000	Under
26	Liberty	1237	CJI HS	136,841	40,000	Under
27	Lincoln	0519	Troy Elem	340,795	16,000	Under
31	Mineral	0579	Superior K-12 Schools	482,525	10,600	Under
32	Missoula	0583	Missoula Elem	1,000,000	101,000	Under
32	Missoula	0584	Missoula H S	1,000,000	230,600	Under
32	Missoula	0586	Hellgate Elem	1,000,000	20,500	Under
32	Missoula	0588	Lolo Elem	667,522	5,050	Under

Co	Co Name	LE	District Name	Tax Credit Limit	Donation	Over/Under
32	Missoula	0589	Potomac Elem	136,509	6,000	Under
32	Missoula	0590	Bonner Elem	458,016	63,300	Under
32	Missoula	0593	Target Range Elem	678,978	75,500	Under
32	Missoula	0599	Frenchtown K-12	1,000,000	4,000	Under
33	Musselshell	0605	Roundup Elem	485,080	47,500	Under
33	Musselshell	0606	Roundup High School	277,732	42,500	Under
33	Musselshell	0607	Melstone Elem	77,118	10,000	Under
34	Park	0612	Livingston Elem	1,000,000	524,300	Under
34	Park	1215	Arrowhead Elem	100,028	100,000	Under
39	Powell	0717	Helmville Elem	50,000	40,500	Under
41	Ravalli	0731	Corvallis K-12 Schools	1,000,000	40,200	Under
41	Ravalli	0732	Stevensville Elem	787,633	10,000	Under
41	Ravalli	0735	Hamilton K-12 Schools	1,000,000	50,000	Under
44	Rosebud	0790	Forsyth Elem	270,291	2,000	Under
47	Silver Bow	0840	Butte Elem	1,000,000	28,300	Under
47	Silver Bow	1212	Butte H S	1,000,000	18,000	Under
48	Stillwater	0850	Reed Point Elem	73,630	1,000	Under
50	Teton	0884	Choteau H S	194,240	32,500	Under
50	Teton	0891	Fairfield H S	212,254	53,000	Under
50	Teton	0894	Power Elem	117,582	1,500	Under
53	Valley	0941	Lustre Elem	60,367	13,000	Under
56	Yellowstone	0965	Billings Elem	1,000,000	71,000	Under
56	Yellowstone	0969	Canyon Creek Elem	314,140	24,651	Under
56	Yellowstone	0983	Huntley Project K-12	1,000,000	1,000	Under
56	Yellowstone	0986	Shepherd H S	391,238	50,000	Under
56	Yellowstone	1241	Lockwood K-12	1,000,000	65,000	Under