

1 HOUSE BILL NO. 243

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6 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING AN INCOME TAX CREDIT FOR VOLUNTEER
7 EMERGENCY FIRST RESPONDERS; PROVIDING ELIGIBILITY REQUIREMENTS; PROVIDING THAT THE
8 CREDIT IS REFUNDABLE; AMENDING SECTION 15-30-2303, MCA; AND PROVIDING AN APPLICABILITY
9 DATE."

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

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13 NEW SECTION. **Section 1. Credit for volunteer emergency first responders.** (1) There is allowed
14 a credit against the tax imposed by 15-30-2103 for a qualified volunteer emergency first responder.

15 (2) To be entitled to the credit authorized in subsection (1), a taxpayer, during the year for which
16 the credit is claimed, must have provided active, uncompensated volunteer service as:

17 (a) a member of a volunteer fire company organized under the provisions of Title 7, chapter 33,
18 part 21, 22, 23, or 24, or a member of an emergency medical service as defined in 50-6-302;

19 (b) an auxiliary officer, a reserve officer, or a special services officer under the provisions of Title 7,
20 chapter 32, part 2;

21 (c) a volunteer firefighter as defined in 19-17-102;

22 (d) a volunteer emergency care provider as defined in 50-6-202; or

23 (e) an air search and rescue volunteer as provided in 67-2-105.

24 (3) The credit is equal to the lesser of \$15 an hour of volunteer service provided or \$1,500.

25 (4) A taxpayer claiming the credit allowed in this section shall include, on forms provided by the
26 department, evidence of the number of hours of active volunteer service performed during the tax year.

27 (5) If the amount of the credit exceeds the claimant's liability under this chapter, the amount of the
28 excess must be refunded to the claimant. The credit may be claimed even if the claimant has no taxable

1 income under this chapter.

2 (6) Pursuant to 5-4-104, the legislature finds that the purpose of the tax credit provided for in this
3 section is to retain existing volunteer emergency first responders and to recruit new volunteers.

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5 **Section 2.** Section 15-30-2303, MCA, is amended to read:

6 **"15-30-2303. Tax credits subject to review by interim committee.** (1) The following tax credits
7 must be reviewed during the biennium commencing July 1, 2021, and during each biennium commencing 8
8 years thereafter:

9 (a) the credit for donations to innovative educational programs provided for in 15-30-2334, 15-30-
10 3110, and 15-31-158;

11 (b) the credit for donations to a student scholarship organization provided for in 15-30-2335, 15-
12 30-3111, and 15-31-159; and

13 (c) the adoption tax credit provided for in 15-30-2321; and

14 (d) the credit for volunteer emergency first responders provided for in [section 1].

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

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

18 (b) the credit for contributions to a qualified endowment provided for in 15-30-2327 through 15-30-
19 2329, 15-31-161, and 15-31-162;

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

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

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

25 (a) the residential property tax credit for the elderly provided for in 15-30-2337 through 15-30-
26 2341;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(e) any adverse impacts of the credit or its elimination and whether the benefits of continuance or elimination outweigh adverse impacts; and

(f) the extent to which benefits of the credit affect the larger economy. (Subsection (3)(c) terminates December 31, 2028--sec. 4, Ch. 391, L. 2023; subsection (3)(d) terminates December 31, 2028--sec. 2, Ch. 576, L. 2023; subsection (1)(c) terminates December 31, 2031--sec. 6, Ch. 493, L. 2023.)"

NEW SECTION. Section 3. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 15, chapter 30, and the provisions of Title 15, chapter 30, apply to [section 1].

NEW SECTION. Section 4. **Applicability.** [This act] applies to income tax years beginning on or after January 1, 2026.

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