



AN ACT GENERALLY REVISING INCOME TAX LAWS; LOWERING INDIVIDUAL INCOME TAX RATES; REVISING THE CAPITAL GAINS CREDIT; AMENDING SECTIONS 15-30-2103 AND 15-30-2301, MCA; AND PROVIDING AN APPLICABILITY DATE.

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

**Section 1.** Section 15-30-2103, MCA, is amended to read:

**"15-30-2103. Rate of tax.** (1) There must be levied, collected, and paid for each tax year upon the taxable income of each taxpayer subject to this tax, after making allowance for exemptions and deductions as provided in this chapter, a tax on the brackets of taxable income as follows:

- (a) on the first ~~\$2,300~~ \$3,000 of taxable income or any part of that income, ~~4%~~ 0.9%;
- (b) on the next ~~\$1,800~~ \$3,000 of taxable income or any part of that income, ~~2%~~ 1.9%;
- (c) on the next ~~\$2,400~~ \$3,000 of taxable income or any part of that income, ~~3%~~ 2.8%;
- (d) on the next ~~\$2,200~~ \$2,500 of taxable income or any part of that income, ~~4%~~ 3.8%;
- (e) on the next ~~\$2,400~~ \$3,000 of taxable income or any part of that income, ~~5%~~ 4.8%;
- (f) on the next ~~\$3,400~~ \$3,500 of taxable income or any part of that income, ~~6%~~ 5.8%;
- (g) on any taxable income in excess of ~~\$13,900~~ \$18,000 or any part of that income, ~~6.9%~~ 6.7%.

(2) By November 1 of each year, the department shall multiply the bracket amount contained in subsection (1) by the inflation factor for that tax year, but using the 2016 consumer price index, and round the cumulative brackets to the nearest \$100. The resulting adjusted brackets are effective for that tax year and must be used as the basis for imposition of the tax in subsection (1) of this section."

**Section 2.** Section 15-30-2301, MCA, is amended to read:

**"15-30-2301. Capital gains credit.** An individual taxpayer is allowed a credit against the taxes imposed by 15-30-2103 in an amount equal to ~~4% of the taxpayer's net capital gains for tax years 2005 and 2006 and 2%~~ 1.9% of the taxpayer's net capital gains ~~for tax years beginning after 2006~~, as shown on the taxpayer's individual

income tax return filed pursuant to 15-30-2602. The credit allowed under this section may not exceed the taxpayer's income tax liability."

**Section 3. Applicability.** [This act] applies to tax years beginning after December 31, 2015.

- END -

I hereby certify that the within bill,  
SB 0200, originated in the Senate.

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2015.

SENATE BILL NO. 200  
INTRODUCED BY D. ANKNEY

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