

SENATE BILL NO. 459

Introduced: 02/16/83

Referred to Committee on Taxation: 2/16/83

Hearing: 3/1/83

Report: 3/2/83, Do Pass

2nd Reading: 03/03/83, As Amended

3rd Reading: 03/04/83

Transmitted to House: 3/4/83

Referred to Committee on Taxation: 03/07/83

Hearing: 3/17/83

Died in House Committee.

1 *Sen. Bill No. 459*  
2 INTRODUCED BY *Eck*  
3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A TAX  
5 CREDIT FOR UNIVERSITY-AFFILIATED RESEARCH; AND PROVIDING AN  
6 EFFECTIVE DATE AND AN APPLICABILITY DATE."  
7  
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
9       Section 1. Credit for university-affiliated research.  
10       (1) There is allowed as a credit against the tax imposed by  
11       15-30-103, subject to the restrictions contained in  
12       subsections (2) and (3), the lesser of:  
13       (a) \$500 of amounts paid or expenses incurred for  
14       research by a college, university, or research organization;  
15       or  
16       (b) 20% of the credit allowed under section 44F(c) of  
17       the Internal Revenue Code of 1954, with respect to amounts  
18       paid or expenses incurred for research by a college,  
19       university, or research organization.  
20       (2) In addition to the requirements contained in  
21       section 44F(c)(2), a qualified organization must be located  
22       in Montana to qualify for the credit provided for in  
23       subsection (1).  
24       (3) In addition to the definition contained in section  
25       44F(c)(3), the research must be conducted within Montana to

1 qualify for the credit provided for in subsection (1).  
2       Section 2. Credit for university-affiliated research.  
3       (1) There is allowed as a credit against the taxes imposed  
4       by 15-31-101, 15-31-121, and 15-31-122, subject to the  
5       restrictions contained in subsections (2) and (3), the  
6       lesser of:  
7       (a) \$500 of amounts paid or expenses incurred for  
8       research by a college, university, or research organization;  
9       or  
10       (b) 20% of the credit allowed under section 44F(c) of  
11       the Internal Revenue Code of 1954, with respect to amounts  
12       paid or expenses incurred for research by a college,  
13       university, or research organization.  
14       (2) In addition to the requirements contained in  
15       section 44F(c)(2), a qualified organization must be located  
16       in Montana to qualify for the credit provided for in  
17       subsection (1).  
18       (3) In addition to the definition contained in section  
19       44F(c)(3), the research must be conducted within Montana to  
20       qualify for the credit provided for in subsection (1).  
21       Section 3. Codification instruction. (1) Section 1 is  
22       intended to be codified as an integral part of Title 15,  
23       chapter 30, and the provisions of Title 15, chapter 30,  
24       apply to section 1.  
25       (2) Section 2 is intended to be codified as an

1     Integral part of Title 15, chapter 31, and the provisions of  
2     Title 15, chapter 31, apply to section 2.

3             Section 4. Effective date and applicability date. This  
4     act is effective on passage and approval and applies to  
5     taxable years beginning after December 31, 1982.

-End-

STATE OF MONTANA

REQUEST NO. 461-83

FISCAL NOTE

Form BD-15

In compliance with a written request received February 17, , 19 83 , there is hereby submitted a Fiscal Note for Senate Bill 459 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

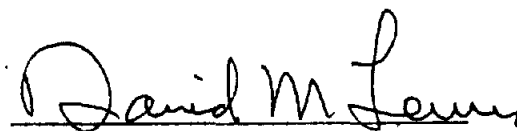
DESCRIPTION OF PROPOSED LEGISLATION:

Senate Bill 459 provides for a tax credit for university-affiliated research; and provides an effective date and an applicability date.

FISCAL IMPACT:

There is no fiscal impact of the proposed legislation.

FISCAL NOTE 16: H/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-19-83

Approved by committee  
on taxation

1 *Senate* BILL NO. *459*  
2 INTRODUCED BY *Gov. Berg*  
3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A TAX  
5 CREDIT FOR UNIVERSITY-AFFILIATED RESEARCH; AND PROVIDING AN  
6 EFFECTIVE DATE AND AN APPLICABILITY DATE."  
7  
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
9 Section 1. Credit for university-affiliated research.  
10 (1) There is allowed as a credit against the tax imposed by  
11 15-30-103, subject to the restrictions contained in  
12 subsections (2) and (3), the lesser of:  
13 (a) \$500 of amounts paid or expenses incurred for  
14 research by a college, university, or research organization;  
15 or  
16 (b) 20% of the credit allowed under section 44F(c) of  
17 the Internal Revenue Code of 1954, with respect to amounts  
18 paid or expenses incurred for research by a college,  
19 university, or research organization.  
20 (2) In addition to the requirements contained in  
21 section 44F(c)(2), a qualified organization must be located  
22 in Montana to qualify for the credit provided for in  
23 subsection (1).  
24 (3) In addition to the definition contained in section  
25 44F(c)(3), the research must be conducted within Montana to

1 qualify for the credit provided for in subsection (1).  
2 Section 2. Credit for university-affiliated research.  
3 (1) There is allowed as a credit against the taxes imposed  
4 by 15-31-101, 15-31-121, and 15-31-122, subject to the  
5 restrictions contained in subsections (2) and (3), the  
6 lesser of:  
7 (a) \$500 of amounts paid or expenses incurred for  
8 research by a college, university, or research organization;  
9 or  
10 (b) 20% of the credit allowed under section 44F(c) of  
11 the Internal Revenue Code of 1954, with respect to amounts  
12 paid or expenses incurred for research by a college,  
13 university, or research organization.  
14 (2) In addition to the requirements contained in  
15 section 44F(c)(2), a qualified organization must be located  
16 in Montana to qualify for the credit provided for in  
17 subsection (1).  
18 (3) In addition to the definition contained in section  
19 44F(c)(3), the research must be conducted within Montana to  
20 qualify for the credit provided for in subsection (1).  
21 Section 3. Codification Instruction. (1) Section 1 is  
22 intended to be codified as an integral part of Title 15,  
23 chapter 30, and the provisions of Title 15, chapter 30,  
24 apply to section 1.  
25 (2) Section 2 is intended to be codified as an

1 integral part of Title 15, chapter 31, and the provisions of  
2 Title 15, chapter 31, apply to section 2.

3 Section 4. Effective date and applicability date. This  
4 act is effective on passage and approval and applies to  
5 taxable years beginning after December 31, 1982.

-End-

## SENATE BILL NO. 459

INTRODUCED BY ECK, REGAN

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A TAX CREDIT FOR UNIVERSITY-AFFILIATED RESEARCH; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

Section 1. Credit for university-affiliated research.

(1) There is allowed as a credit against the tax imposed by 15-30-103, subject to the restrictions contained in subsections (2) and (3), the lesser of:

(a) \$500 of amounts paid or expenses incurred for research by a college, university, or research organization; or

(b) 20% of the credit allowed under section 44F(e)(1) of the Internal Revenue Code of 1954, with respect to amounts paid or expenses incurred for research by a college, university, or research organization.

(2) In addition to the requirements contained in section 44F(e)(1)(2), a qualified organization must be located in Montana to qualify for the credit provided for in subsection (1).

(3) In addition to the definition contained in section 44F(e)(1)(3), the research must be conducted within Montana

to qualify for the credit provided for in subsection (1).

Section 2. Credit for university-affiliated research.

(1) There is allowed as a credit against the taxes imposed by 15-31-101, 15-31-121, and 15-31-122, subject to the restrictions contained in subsections (2) and (3), the lesser of:

(a) \$500 of amounts paid or expenses incurred for research by a college, university, or research organization; or

(b) 20% of the credit allowed under section 44F(e)(1) of the Internal Revenue Code of 1954, with respect to amounts paid or expenses incurred for research by a college, university, or research organization.

(2) In addition to the requirements contained in section 44F(e)(1)(2), a qualified organization must be located in Montana to qualify for the credit provided for in subsection (1).

(3) In addition to the definition contained in section 44F(e)(1)(3), the research must be conducted within Montana to qualify for the credit provided for in subsection (1).

Section 3. Codification instruction. (1) 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.

(2) Section 2 is intended to be codified as an

1 integral part of Title 15, chapter 31, and the provisions of  
2 Title 15, chapter 31, apply to section 2.  
3 Section 4. Effective date and applicability date. This  
4 act is effective on passage and approval and applies to  
5 taxable years beginning after December 31, 1982.

-End-