

HOUSE BILL NO. 329

INTRODUCED BY E. BYRNE, S. KELLY, K. LOVE, G. OVERSTREET, T. SHARP, T. MILLETT, T.
MANZELLA, J. FULLER, C. HINKLE, R. MARSHALL, A. REGIER, M. REGIER, C. GLIMM, L. DEMING, J.
GILLETTE, T. FALK, P. FIELDER, G. HERTZ, B. MITCHELL, M. NOLAND, B. PHALEN

A BILL FOR AN ACT ENTITLED: "AN ACT ENCOURAGING THE FORMATION OF AMMUNITION
COMPONENT MANUFACTURING BUSINESSES IN MONTANA; PROVIDING EXEMPTIONS FROM
PROPERTY TAXES, INDIVIDUAL INCOME TAXES, CORPORATE INCOME TAXES, AND OTHER
BUSINESS-RELATED TAXES TO A MANUFACTURER OF AMMUNITION COMPONENTS; PROVIDING
EXEMPTIONS FROM INDIVIDUAL INCOME TAXES AND CORPORATE INCOME TAXES TO AN INVESTOR
OR LENDER THAT PROVIDES LOANS TO A MANUFACTURER OF AMMUNITION COMPONENTS;
AMENDING SECTIONS 15-6-219, 15-30-2120, AND 15-31-113, MCA; AND PROVIDING AN IMMEDIATE
EFFECTIVE DATE, ~~AND A RETROACTIVE APPLICABILITY DATE, AND A TERMINATION DATE.~~"

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

**NEW SECTION. Section 1. Tax exemption for manufacturing of ammunition components --
conditions -- real property exemption applies to safety zone.** (1) A person or entity in this state engaged in
the primary business of the manufacture of ammunition components that meets the conditions in subsections
(2) through (4) is exempt from:

- (a) property taxes levied for state educational purposes under 20-9-331, 20-9-333, 20-9-360, and
20-25-439;
- (b) the business equipment tax levied pursuant to 15-6-138;
- (c) individual income taxes as provided in Title 15, chapter 30;
- (d) corporate income or alternative corporate income taxes as provided in Title 15, chapter 31; and
- (e) any other tax on business activity levied by the state, except:
 - (i) the local portion of property tax not exempt under subsection (1)(a); or
 - (ii) an employer's share of employee payroll taxes that are used to finance state-mandated

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NEW SECTION. Section 8. Severability. If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

NEW SECTION. Section 9. Effective date. [This act] is effective on passage and approval.

NEW SECTION. Section 10. Retroactive applicability. [This act] applies retroactively, within the meaning of 1-2-109, to tax years beginning on or after January 1, 2025.

NEW SECTION. SECTION 11. TERMINATION. [THIS ACT] TERMINATES DECEMBER 31, ~~2030~~ 2035.

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