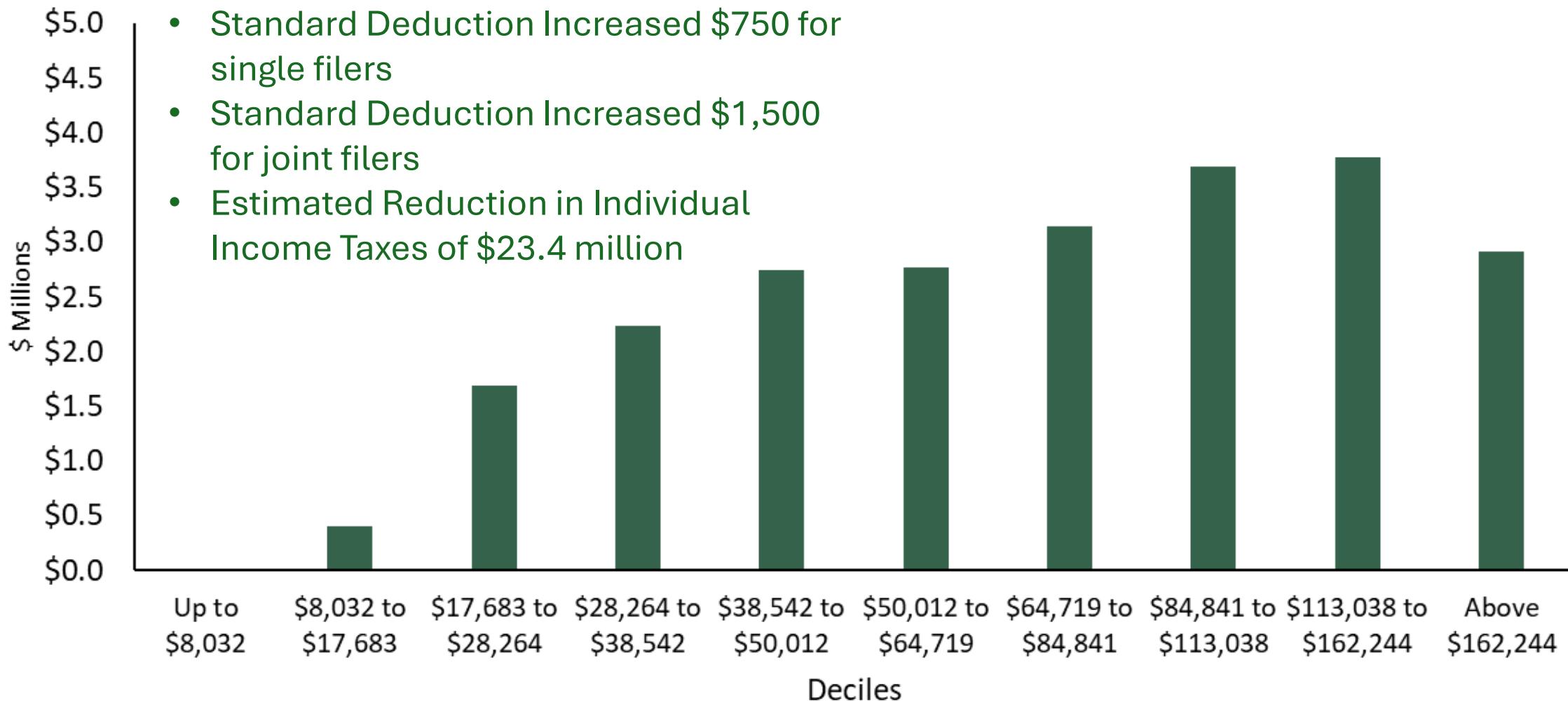


# HR 1 Tax Provisions: Distributional Impacts in Montana

Revenue Interim Committee  
November 13, 2025  
Sam Schaefer

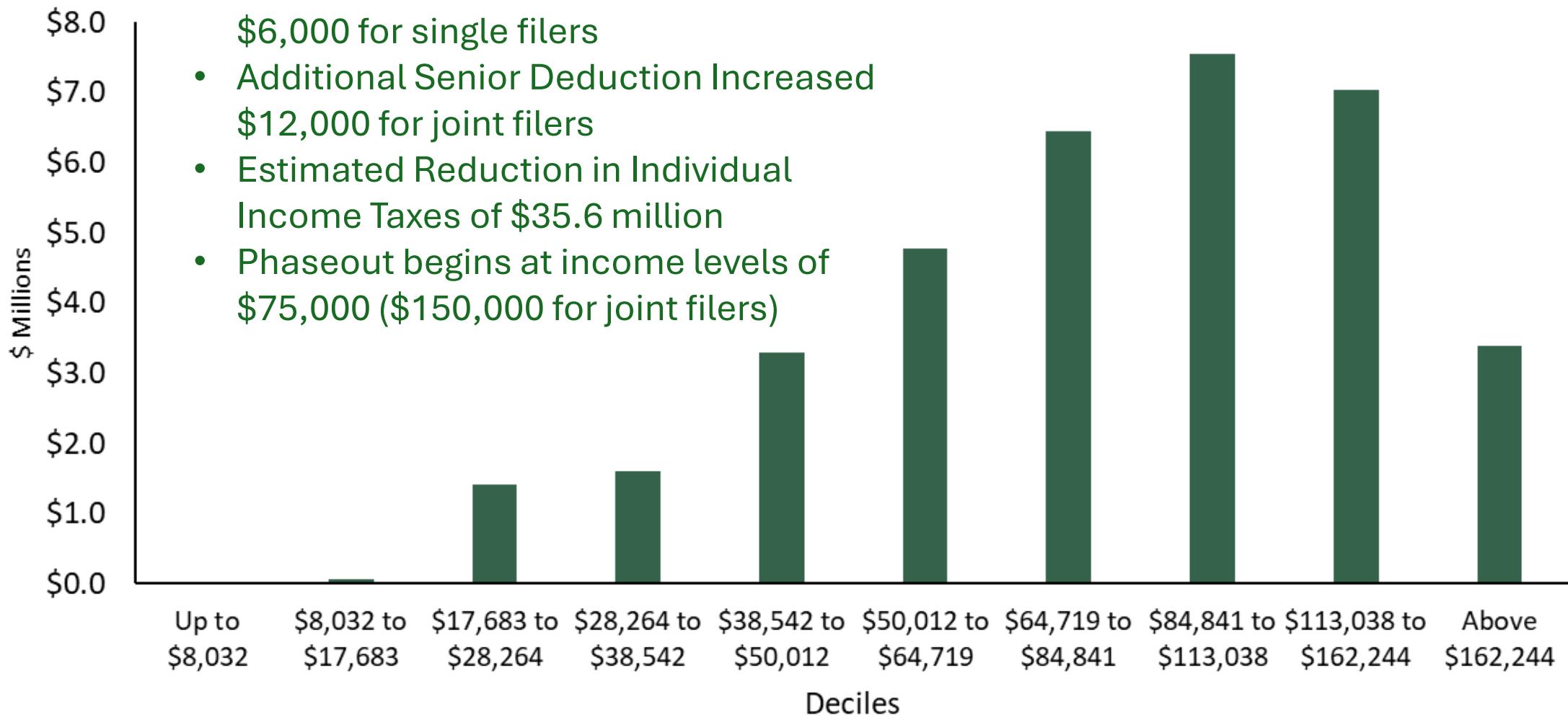


## Additional Standard Deduction Savings by Decile

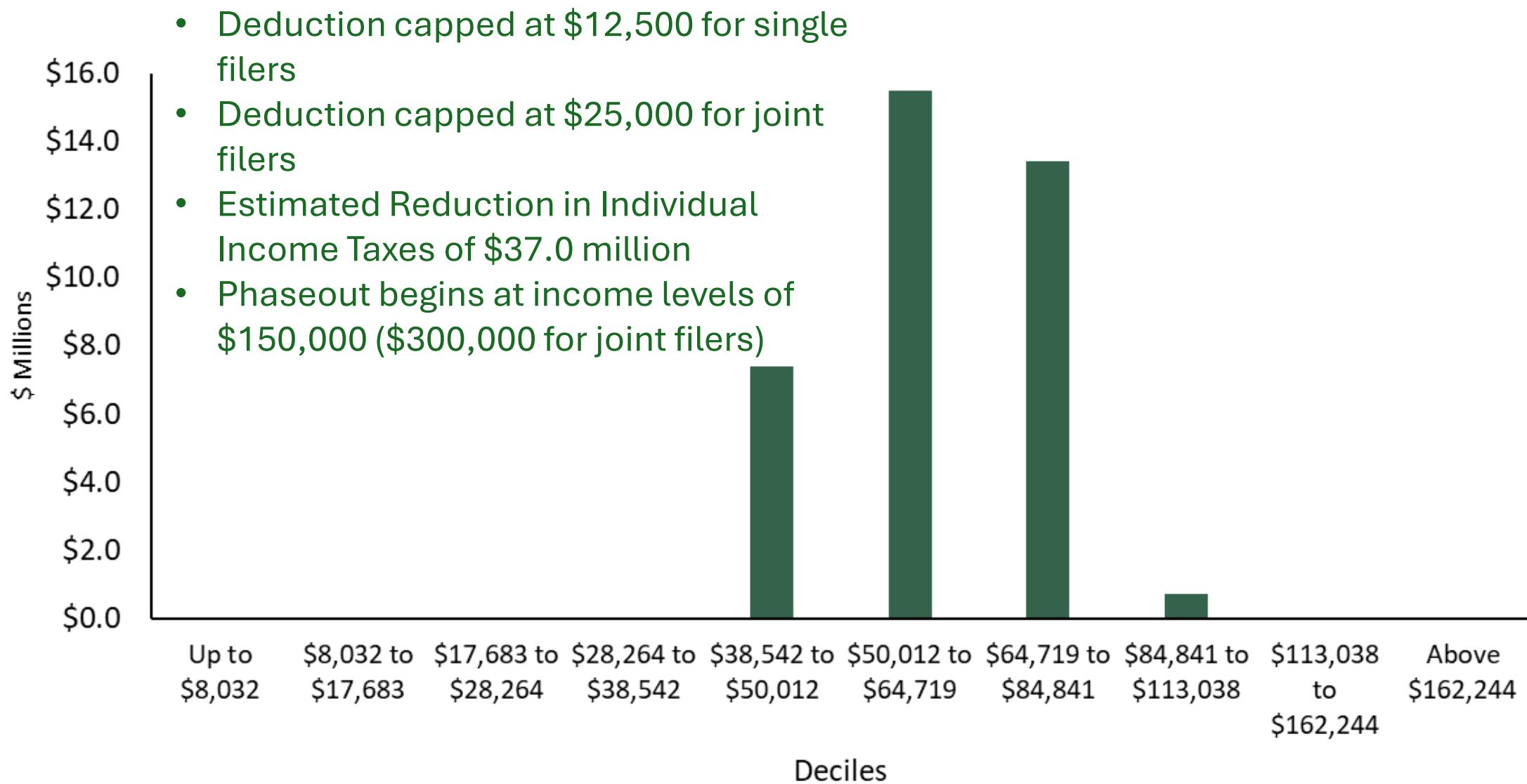


## Additional Senior Standard Deduction Savings by Decile

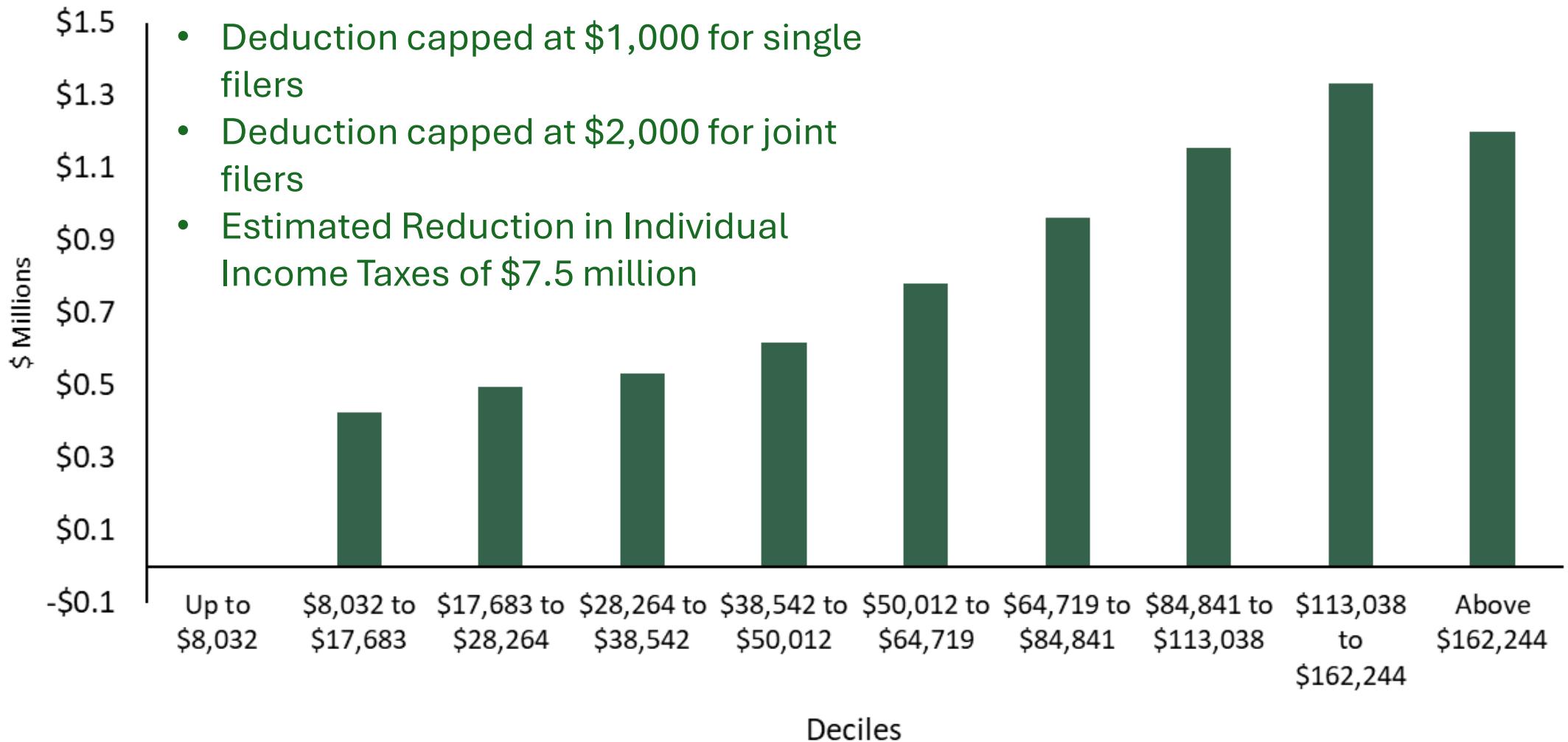
- Additional Senior Deduction Increased \$6,000 for single filers
- Additional Senior Deduction Increased \$12,000 for joint filers
- Estimated Reduction in Individual Income Taxes of \$35.6 million
- Phaseout begins at income levels of \$75,000 (\$150,000 for joint filers)



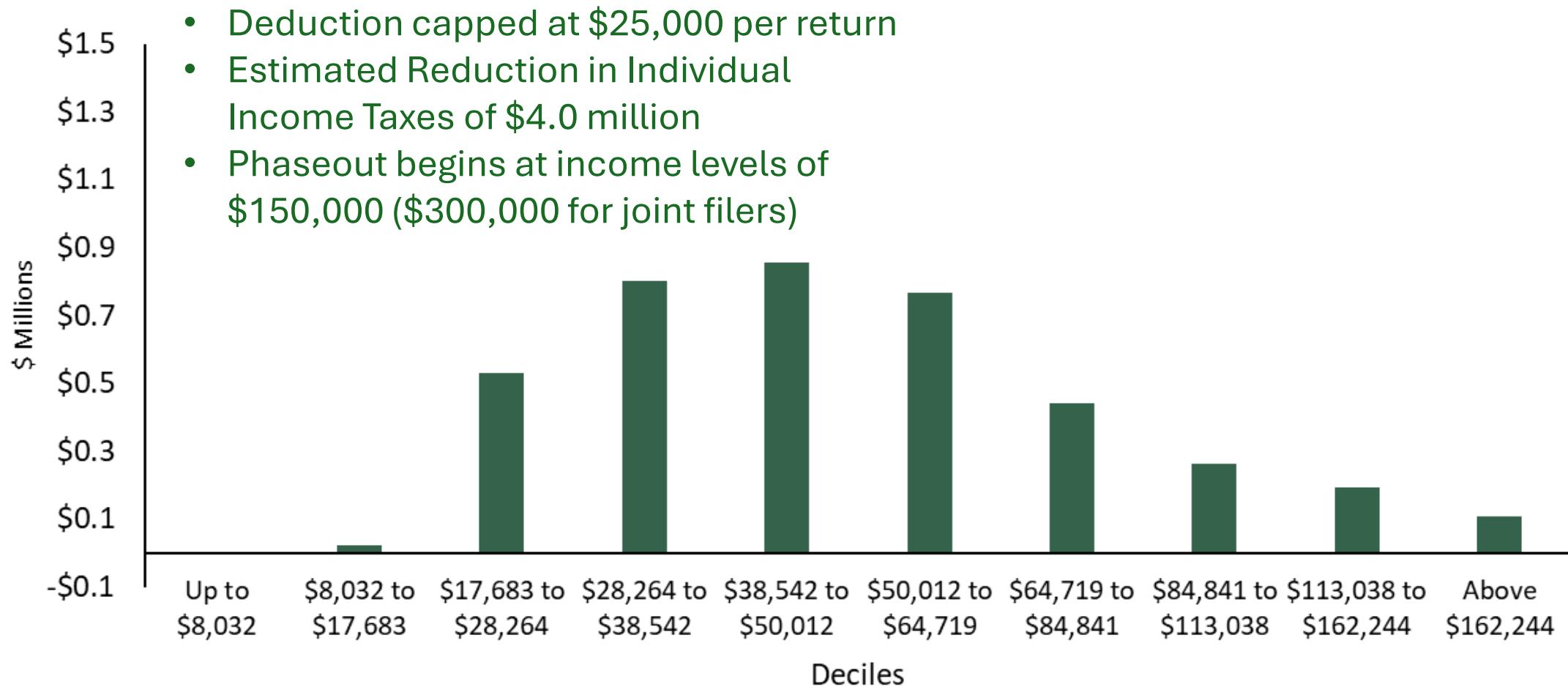
## Overtime Pay Deduction Savings by Decile



## Charitable Contribution Deduction Savings by Decile



## Tip Income Deduction Savings by Decile



## Auto-Loan Interest Deduction

- Extremely Limited Data
- Maximum annual deduction is \$10,000
- Deduction phases out for taxpayers with modified adjusted gross income over \$100,000 (\$200,000 for joint filers).
- Estimated impact of individual income taxes to Montana is \$6.6 million.

## Combined Impacts of HR 1 Tax Provisions by Decile

