

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
55th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON TAXATION

Call to Order: By Vice Chairman Robert Story, on January 14, 1997, at 8:00 a.m., in Room 437.

ROLL CALL

Members Present:

Rep. Chase Hibbard, Chairman (R)
Rep. Robert R. Story, Jr., Vice Chairman (Majority) (R)
Rep. Robert R. "Bob" Ream, Vice Chairman (Minority) (D)
Rep. Peggy Arnott (R)
Rep. Paul Bankhead (R)
Rep. John C. Bohlinger (R)
Rep. Bill Carey (D)
Rep. Alvin A. Ellis, Jr. (R)
Rep. Marian W. Hanson (R)
Rep. Hal Harper (D)
Rep. Dan W. Harrington (D)
Rep. Rick Jore (R)
Rep. Scott J. Orr (R)
Rep. Bob Raney (D)
Rep. John "Sam" Rose (R)
Rep. William M. "Bill" Ryan (D)
Rep. Richard D. Simpkins (R)
Rep. Emily Swanson (D)
Rep. Lila V. Taylor (R)
Rep. Jack Wells (R)

Members Excused: None

Members Absent: None

Staff Present: Lee Heiman, Legislative Services Division
Donna Grace, Committee Secretary

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 82 (1/8/97)
HB 80 (1/8/97)
HB 94 (1/8/97)
HB 148 (1/9/97)

Executive Action: HB 80 - Table
HB 148 - Do Pass

HEARING ON HB 82

Sponsor's Opening Statement:

Rep. Chase Hibbard, House District 54, opened the hearing on HB 82 which would revise corporate tax laws to encourage compliance and bring them in line with federal statutes. {Tape: 1; Side: A; Approx. Time Count: 1.9.}

Proponents' Testimony:

David Johnson, Society of CPA's, supported the bill but would prefer a .5% penalty. {Tape: 1; Side: A; Approx. Time Count: 8.1.}

Lynn Chenoweth, Corporate Tax Division, DOR. {Tape: 1; Side: A; Approx. Time Count: 9.6.}

Opponents' Testimony:

None.

Informational Testimony:

None.

Questions From Committee Members and Responses:

{Tape: 1; Side: A; Approx. Time Count: 10.5.}

Closing by Sponsor:

Rep. Hibbard closed the hearing. {Tape: 1; Side: A; Approx. Time Count: 17.7.}

HEARING ON HB 94

Opening Statement by Sponsor:

Rep. Sam Kitzenberg, House District 96, opened the hearing on HB 94 which would provide for a general investment tax credit. Exhibit 1. {Tape: 1; Side: A; Approx. Time Count: 19.4.}

Proponents' Testimony:

David Owen, Montana Chamber of Commerce. Exhibit 2. {Tape: 1; Side: B; Approx. Time Count: 1.3.}

Opponents' Testimony:

None.

Informational Testimony:

None.

Questions From Committee Members and Responses:

{Tape: 1; Side: B; Approx. Time Count: 6.8.}

Lee Hieman, Staff Attorney, explained an error in the printed bill. *{Tape: 1; Side: B; Approx. Time Count: 8.7.}*

Questions from Committee Members and responses continued. *{Tape: 1; Side: B; Approx. Time Count: 11.1.}*

Closing by Sponsor:

Rep. Kitzenberg closed the hearing. *{Tape: 2; Side: A; Approx. Time Count: 11.4.}*

Chairman Hibbard commented on the importance of the bill the necessity of having more and better information. Executive Action on the bill was postponed until the information is received. *{Tape: 2; Side: A; Approx. Time Count: 14.9.}*

HEARING ON HB 80

Opening Statement by Sponsor:

Rep. Sam Kitzenberg, House District 96, opened the hearing on HB 80 providing a tax incentive to businesses who hire graduates of Montana universities. Exhibits 3 and 4.

Informational Testimony:

Lynn Chenoweth explained the technical changes necessary to the bill. Exhibit 5. *{Tape: 2; Side: B; Approx. Time Count: 0.1.}*

Proponent's Testimony:

Jeremy Fritz, Student Lobbyist, Montana State University, Bozeman. *{Tape: 2; Side: B; Approx. Time Count: 4.0.}*

Opponent's Testimony:

None.

Questions From Committee Members and Responses:

{Tape: 2; Side: B; Approx. Time Count: 5.8.}

Closing by Sponsor:

Rep. Kitzenberg closed the hearing. {Tape: 2; Side: B; Approx. Time Count: 24.7.}

HEARING ON HB 148

Opening Statement by Sponsor:

Rep. Dan Harrington, House District 38, explained that the bill would revise inheritance tax reporting. {Tape: 2; Side: B; Approx. Time Count: 27.2.}

Proponents' Testimony:

Jeff Miller, Miscellaneous Tax Division, DOR. {Tape: 3; Side: A; Approx. Time Count: 1.6.}

Opponents' Testimony:

None.

Informational Testimony:

None.

Questions From Committee Members and Responses:

{Tape: 3; Side: A; Approx. Time Count: 2.5.}

Closing by Sponsor:

Rep. Harrington closed the hearing. {Tape: 3; Side: A; Approx. Time Count: 6.0.}

EXECUTIVE ACTION ON HB 148

Motion/Vote: Rep. Harrington moved HB 148 do pass. On a voice vote, the motion passed 20 - 0. {Tape: 3; Side: A; Approx. Time Count: 6.5.}

EXECUTIVE ACTION ON HB 80

Motion: Rep. Story moved that HB 80 do pass. {Tape: 3; Side: A; Approx. Time Count: 8.9.}

Motion/Vote: Rep. Story moved to amend the bill to add "graduates of Montana high schools." On a voice vote, the motion passed 20 - 0. {Tape: 3; Side: A; Approx. Time Count: 10.2.}

Motion/Vote: Rep. Story moved to amend the bill to add a sunset date of January 1, 1999. On a voice vote, the motion passed 20 - 0. *{Tape: 3; Side: A; Approx. Time Count: 10.7.}*

Motion/Vote: Rep. Simpkins moved to table HB 80. On a voice vote, the motion passed, 20 - 0.

{Tape: 3; Side: A; Approx. Time Count: 18.6; Comments: Meeting adjourned.}

ADJOURNMENT

Adjournment: 10:20 a.m.



REP. CHASE HIBBARD, Chairman



DONNA GRACE, Secretary

CH/DG