

TAXATION COMMITTEE  
45TH LEGISLATURE

On March 4, 1977, in room #434, at 8:00 a.m., Rep. Herb Huennekens, Chairman, called the Taxation Committee to order for an executive meeting. All members were present.

HOUSE BILL 699 - Rep. Harrison Fagg moved that HB 699 be amended in accordance with amendments to the third reading bill. The amendments were unanimously adopted. Rep. Fagg further moved that HOUSE BILL 699 AS AMENDED DO PASS. All members present voted for the motion. Reps. Hirsch and Vincent were absent.

HOUSE BILL 627 - Committee members thought the tax should not be amended any lower than what the introduced bill stated. Chairman Huennekens asked the committee members if they thought another hearing on this bill would be productive. There had already been two hearings on HB 627 in the Highway Committee. Rep. Fabrega asked Bill Groff, DOR Director: "How do we end up at the tax on liquor?" Mr. Groff advised they take the price including transportation, plus the mark-up and add 21% for hard liquor tax. Beer is taxed on a per gallonage basis. The mark-up is set in accordance with surrounding states' mark-ups in order that Montana can be on a par with them.

Rep. O'Keefe made a motion that the taxation committee have an expanded executive meeting on House Bills 627, 575, and 603, which are similar bills. Persons knowledgeable on these subjects will be asked by the committee members to attend. Rep. Dassinger asked to have a rural area representative be at this meeting to be held Wednesday, March 9. The motion was unanimously adopted.

It became apparent after further discussion that some of the tax money paid in now is not doing the work it was intended to do, and some amendments to mandate where the proposed tax is to be used will be considered. Treatment for alcoholism is being neglected; care of the drunk at the time by police is about all that is being accomplished with the present tax revenue.

HOUSE BILL 398 - Rep. Williams suggested a subcommittee be appointed to study this repealer. However, this cannot be done. Rep. Harrison Fagg moved that HOUSE BILL 398 DO NOT PASS. Rep. Fabrega made a substitute motion that HB 398 DO PASS. Rep. Fabrega moved that amendments to HB 398 be adopted. Approval was unanimous. The vote for Do Pass was recorded 4-12 with 1 absent. So HOUSE BILL 398 AS AMENDED DO NOT PASS is the recommendation of the committee.

HOUSE BILL 689 - Rep. Fabrega moved that HOUSE BILL 689 DO PASS. He further moved that HB 689 be amended to show an effective date be on passage and approval for all taxable years after December 31, 1976. Motion was unanimously adopted. So HOUSE BILL 689 AS AMENDED DO PASS is the recommendation of the committee with unanimous approval. Reps. Vincent and Williams were absent.

HOUSE BILL 783 - Rep. Waldron moved that HOUSE BILL 783 DO PASS. After discussion, a recorded vote of 7 for and 8 against was made. So HOUSE BILL 783 carries a DO NOT PASS recommendation from the committee.

For copies of amendments to the above bills, please refer to the Standing Committee Reports in Book #1 of this committee's minutes.

The meeting adjourned at 10:10 a.m.

*Josephine Laiti, Secretary*

*Herb Huennekens*  
REP. HERB HUENNEKENS, CHAIRMAN