

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

March 24, 1977

The fifty-second meeting of the Taxation Committee was called to order on the above date in Room 415 of the State Capitol Building by Chairman Mathers at 8:05 a.m.

ROLL CALL: Roll call found all of the members present.

The following witnesses were present:

Steve Turkiewicz	Mont. Assoc. of Counties
Glen Drake	League of Cities
Gorham A. Swanberg	Mont. R.R. Assoc.

CONSIDERATION OF HOUSE BILL 100: Rep. Harrington said his bill merely changes the amount of delinquency reserve for computing statewide levies from 12 to 6%. The Department of Revenue would like the taxes reduced because the delinquent taxes never amount to more than 3 to 4%, thus the 6% would be sufficient. He said this would apply only to state levies. Mr. Groff said the Department was in full support of the bill and believes it should have been done some time ago.

Following a brief discussion, the committee moved the bill.

DISPOSITION: Sen. Watt Moved HB100 Be Concurred In. Sen. Manning seconded the motion and motion carried unanimously.

CONSIDERATION OF HOUSE BILL 157: Mr. Groff discussed this bill and said the Federal people went over the D.R.'s statutes and found this difference in their laws. He said this bill is necessary in order to bring their laws into conformity with the Federal statutes regarding divulging of Federal tax return information.

The Chairman called for other questions from the committee and following discussion a motion was made to move the bill.

DISPOSITION: Sen. Goodover Moved HB157 Be Concurred In. The motion carried unanimously.

CONSIDERATION OF HOUSE BILL 309: Mr. Turkiewicz gave an explanation of the bill saying it clarifies what the taxpayer can protest. At present they can file protests for more than the allowed-for amount and this bill would limit that that protest to what is deemed to be lawful. The committee discussed the bill further and agreed it was as presented.

DISPOSITION: Sen. Turnage Moved HB309 Be Concurred In. The motion carried unanimously.

The committee then took up HB722 and SB211, both bills previously heard and discussed with amendments proposed for both. Sen. Towe said he would like to work on HB722 as he thought it could be supported as well as SB211. He also proposed the committee take action on SB211 before time deadline for Senate bills. He distributed an amendment of Sen. Turnage, see Exh. #1, and explained it briefly. There followed discussion and Sen. Watt asked how long the tax would continue. The point was made that the land that is actually owned would not be taxes by this bill; only holders of mineral interests to the land. Further, if holders of such interests did not believe there were minerals under the land, they would not be willing to pay such tax and the interests could then be sold to the surface owner. In similar cases, the surface owner has purchased all the rights to his land from such holders, particularly if the land is not judged to hold minerals.

DISPOSITION: Sen. Towe Moved SB211 Do Pass, as Previously Amended. The motion carried by a 6-4 vote, see roll call vote.

The amendments discussed at this meeting will be made from the floor as Committee of the Whole amendments.

DISPOSITION: Sen. Towe then Moved the amendments to HB722 in Exh #1, as introduced by Rep. Hirsch, on 3/21. Motion carried.

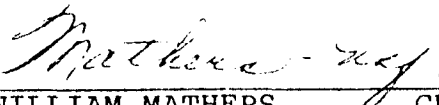
Sen. Turnage then Moved HB722 As Amended, Be Not Concurred In. The motion carried by a 6-4 roll call vote.

Discussion then went to HB50, 70 and 773 and the Chairman asked the committee their opinions if they wished to go with 773 or with 50 and amend it so after the study the tax committee can then function as an Interim Committee on Taxation.

Sen. Watt then presented several amendments to HB324; Sen. Towe also propped an amendment.

DISPOSITION: Sen. Goodover Moved HB324 Be Not Concurred In. A roll call vote was taken which resulted in a 5-5 tie, so the bill goes out As Amended, WITHOUT RECOMMENDATION.

Following disposition of this bill, the committee adjourned.


 WILLIAM MATHERS CHAIRMAN

DATE

3/24/77

HOUSE
COMMITTEE ON

TAXATION

100, 157, 309, 584

VISITORS' REGISTER

NAME

REPRESENTING

BILL #

Check One
Support Oppose

Hon. Thompson

Mt. Assoc. of Counties

HB 309

Ellen Drake

League of Cities

HB 309

Durham & Sonnsberg

Mt. R. R. Assoc

HB 584

SENATE COMMITTEE TAXATIONDate 3/24 Sen. Bill No. 211 Time 8:50 a.m.

NAME	YES	NO
SEN. WATT	X	
SEN. BROWN	X	
SEN. GOODOVER		X
SEN. HEALY		X
SEN. MANNING	X	
SEN. NORMAN (gone)		X
SEN. ROSKIE		X
SEN. TOWE	X	
SEN. TURNAGE	X	
CHAIRMAN MATHERS	X	

6 84

Nita Fjeseth
SecretaryWilliam L. Mathers
Chairman

Motion: do Pass carried
w/ Amends to be
made from floor. } do
pass. } pass.

(include enough information on motion--put with yellow copy of committee report.)

Amended

SENATE COMMITTEE TAXATION

Date 3/24 House Bill No. 722 Time 9:00 a.m.

NAME	YES	NO
SEN. WATT	X	
SEN. BROWN	X	
SEN. GOODOVER	X	
SEN. HEALY	X	
SEN. MANNING	X	
SEN. NORMAN		X
SEN. ROSKIE		X
SEN. TOWE		X
SEN. TURNAGE	X	
CHAIRMAN MATHERS	X	X

86 84

Nita Fjeseth
Secretary

William L. Mathers
Chairman

Motion: Be. Not Conc. In

As Amended

6-4

Carroll

(include enough information on motion--put with yellow copy of committee report.)

SENATE COMMITTEE TAXATION

Date 7/11 Bill No. 324 Time 9:15

NAME	YES	NO
SEN. WATT		X
SEN. BROWN	X	
SEN. GOODOVER	X	
SEN. HEALY		X
SEN. MANNING		X
SEN. NORMAN		X
SEN. ROSKIE	X	
SEN. TOWE		X
SEN. TURNAGE	X	
CHAIRMAN MATHERS	X	

Nita Fjeseth
Secretary

William L. Mathers
Chairman

Motion:

Be Not Conc.
As Am.
w/ Sen. Watt's Amendments

(include enough information on motion--put with yellow copy of committee report.)

SENATE COMMITTEE TAXATION

Date 3/24 N. Bill No. 324 Time 9:20

NAME	YES	NO
SEN. WATT	X	
SEN. BROWN		X
SEN. GOODOVER		X
SEN. HEALY	X	
SEN. MANNING	X	
SEN. NORMAN	X	
SEN. ROSKIE		X
SEN. TOWE	X	
SEN. TURNAGE		X
CHAIRMAN MATHERS		X

5 5

Nita Fjeseth
Secretary

William L. Mathers
Chairman

Motion: Be Conc. In Without
As Amend Recomm
Sen. Watt } Amendment
& Sen. James }

(include enough information on motion--put with yellow copy of committee report.)

STANDING COMMITTEE REPORT

March 24

19 77

MR. PRESIDENT

We, your committee on TAXATION

having had under consideration HOUSE Bill No. 100

Respectfully report as follows: That HOUSE Bill No. 100

BE CONCURRED IN

~~XXXX~~

STANDING COMMITTEE REPORT

March 24 19 77

MR. PRESIDENT

We, your committee on TAXATION

having had under consideration HOUSE Bill No. 157

Respectfully report as follows: That HOUSE Bill No. 157

BE CONCURRED IN

~~XXXXXX~~

STANDING COMMITTEE REPORT

March 24 1977

MR. PRESIDENT

We, your committee on TAXATION

having had under consideration HOUSE Bill No. 309

Respectfully report as follows: That HOUSE Bill No. 309

BE CONCURRED IN

~~DO:RASSX~~



WILLIAM MATHERS

Chairman.

STANDING COMMITTEE REPORT

March 24 19 77

MR. **PRESIDENT**

We, your committee on **TAXATION**

having had under consideration **HOUSE** Bill No. **584**

Respectfully report as follows: That **HOUSE** Bill No. **584**

BE CONCURRED IN

~~DO PASS~~



STANDING COMMITTEE REPORT

March 24

19 77

MR. President

We, your committee on Taxation

having had under consideration House Bill No. 722

Respectfully report as follows: That House Bill No. 722

third reading bill, be amended as follows:

1. Amend title, lines 9 through 11.

Following: "PRODUCTION"

Strike: "THE VESTING OF TITLE OF ABANDONED INTERESTS IN THE SURFACE
OWNER,"

2. Amend title, line 13.

Following: "NOTICE"

Insert: "; AMENDING SECTION 91-502, R.C.M. 1947"

3. Amend page 1, section 1, line 20.

Following: "minerals"

Insert: ", or other minerals"

4. Amend page 2, section 3, line 8.

Following: "interests."

Strike: "(1)"

~~DO NOT~~

CONTINUED

5. Amend page 2, section 3, line 15.

Following: "abandoned"

Insert: "for purposes of instituting a quiet title action under [section 6]"

6. Amend page 2, section 3, line 16.

Following: line 15

Strike: "(a)"

Insert: "(1)"

7. Amend page 2, section 3, line 20.

Following: line 19

Strike: "(b)"

Insert: "(2)"

8. Amend page 2, section 3, line 22.

Following: line 21

Strike: "(1)"

Insert: "(a)"

9. Amend page 2, section 3, line 23.

Following: line 22

Strike: "(ii)"

Insert: "(b)"

10. Amend page 2, section 3, line 25.

Following: line 24

Strike: "(iii)"

Insert: "(c)"

11. Amend page 3, section 3, line 2.

Following: line 1

Strike: "(iv)"

Insert: "(d)"

12. Amend page 3, section 3, lines 5 through 7.

Following: line 4

Strike: lines 5 through 7 in their entirety.

13. Amend page 3, section 4, line 22.

Following: "fee of"

Strike: "\$10"

Insert: "\$5 plus \$1 a page for each page in excess of 5 pages"

14. Amend page 7, section 8, line 3.

Following: line 2

Insert: "Section 9. Section 91-502, R.C.M. 1947, is amended to read as follows:

"91-502. Title to escheated property vests in state -- when. Whenever the title to any property, either real or personal, or mine, fails for any reason including want of heirs or next of kin, such title shall vest in the state of Montana immediately upon the death of the owner without an inquest or other proceeding in the nature of office found, and there shall be no presumption that such owner died leaving heirs or next of kin; provided that in relation to property other than estates, title shall be presumed to have failed whenever the

owner, beneficial owner, or person entitled to any such property within this state has been or shall be and remain unknown for a period of twenty {20} successive years, and during such period whenever the whereabouts of such owner, beneficial owner or persons has been or shall be and remain unknown, and during such period whenever any personal property wherever situated has been or shall be and remain unclaimed, then, in such event, such personal property shall escheat to the state.

All sums escheated under the provisions of the Escheated Property Act shall be delivered by the state department of revenue to the state treasurer and deposited by the treasurer in the agency fund; in connection with the recovery of money or property from escheats other than those from estates, the state department of revenue is hereby authorized and directed to deduct the costs incurred in reducing such moneys or property to the possession of the state of Montana, which sum shall not exceed ~~five-per-centum~~ {5%} of the amount so recovered, except for such other costs and fees as the judgment of escheat shall so direct.

Moneys and properties placed in the agency fund shall be held in trust for a period of ~~ten~~ {10} years prior to deposit in the public school subfund in the trust and legacy fund by the state treasurer; such ~~ten~~ {10} year period being a time within which the owner, beneficial owner, or any person having a right, title, or interest in the property or money escheated may make claim by the institution of an action for the dissolution of the trust in an amount equal to the full amount or value of the property escheated minus the costs and expenses incident to reducing the same to the possession of the state.

In order to ascertain if any person has knowledge of or is in possession of any escheatable property, it shall be lawful for the attorney general or his assistant to obtain discovery on motion in the district court requiring any such person or persons to divulge any information they may have concerning the possession or location of any property subject to escheat, or any other information pertinent t to the recovery of such property by the state of Montana or which information may lead to the discovery of such escheatable property.

Abandonment of a mineral interest under [section 3 of this act] does not constitute failure of title for purposes of this section.

STANDING COMMITTEE REPORT

March 24 19 77

MR. PRESIDENT

We, your committee on TAXATION

having had under consideration HOUSE Bill No. 324

Respectfully report as follows: That HOUSE Bill No. 324,

1. Amend page 1, section 1, line 12.
Following: "assessments"
Insert: "for improvements on both sides of a corner lot"
2. Amend page 1, section 1, line 14.
Following: "is the"
Strike: "shorter"
Insert: "average"
3. Amend page 1, section 1, line 17.
Following: "BODY"
Strike: "MAY"
Insert: "shall"
4. Amend page 1, section 1, lines 19 and 20.
Following: "COSTS"
Strike: "OF THE SIDE NOT CONSIDERED AS FRONTAGE FOR THE PURPOSE OF ASSESSMENT"
Insert: "according to the lineal feet assigned to each lot"
~~DEPASS~~ AND AS SO AMENDED,
WITHOUT RECOMMENDATION

STANDING COMMITTEE REPORT

March 24, 1977

MR. PRESIDENT

We, your committee on TAXATION

having had under consideration SENATE Bill No. 211

Respectfully report as follows: That SENATE Bill No. 211

DO PASS