

MINUTES OF THE MEETING  
TAXATION COMMITTEE  
MONTANA STATE SENATE

March 8, 1977

The thirty-fifth 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 the members present.

There were no witnesses present.

CONSIDERATION OF HOUSE BILL 50: Rep. Fabrega, Dist. 44, presented his bill and said it called for legislation to be enacted by the Legislature following the statewide reappraisal of property by the Department of Revenue. The bill specifies that the utilization of the reappraisal shall be reviewed before any legislative action is taken and Rep. Fabrega said he thought some adjustment of the tax formula would be necessary before laws are passed on property tax. Mr. Groff of the D.R. was present and said the Department is in support of the concept of the bill as he said property valuations on an average across the state will go up perhaps around 30 to 35% and that millage levies could also be increase considerably because of this. It will go down in some areas as well, and he said for this reason he felt that a committee out of the committees should analyze the information they will receive from the Department and work out legislation before the new tax formulae go into effect.

Chairman Mathers asked for other proponents or opponents of the bill and following, permitted questions from the committee.

The committee looked at the effective date for passing legislation following the study and since the Legislature is to meet before the end of the year they suggested a number of amendments that would assure some action be taken by the Legislature before the end of the anticipated special session.

A number of suggestions were made as far as the committee makeup and the members agreed that 6 members from the House and 6 from the Senate be included; that the members of this special committee be appointed by the Speaker of the House and the Committee on Committees in the Senate; that there be included a member from the Executive Department to be an ex officio member; that there be someone representing local government; that the members include as much as possible, members from all regions of the state; that the House and Senate members be evenly divided politically.

Mr. Tippy, Legislative Attorney, was asked to draw up the amendment and this was done, see Exh. #1, attached. The members agreed to the concept of the amendment, specifying there

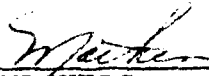
would also have to be an amendment to the title, providing for the select committee. Several changes were proposed to the portion of the bill which specified the Legislature must act when the reappraisal program is completed and they are in possession of data from the D.R. In attempting to pin down the enactment of such legislation, Sen. Turnage moved such legislation be passed before December 31, 1978. Sen. Towe proposed the phrase: "in no event shall the suspension continue past December 31, 1977."

Discussion continued with the members discussing how the Legislature would have to make a decision insofar as property tax is concerned, but it was felt it was not mandatory to write this into law as the Legislature would be forced to reach some sort of a decision, by necessity.

After continued discussion, Sen. Towe made a Substitute Motion to set December 31, 1977 as the date by which action must be taken. This motion was defeated on a show of hands 3 for, and 7 against. Sen. Turnage then moved his amendments as specified on Exh. #1, attached. This motion passed unanimously.

DISPOSITION: Sen. Goodover then Moved HB50 As Amended, Be Concurred in. The motion was carried unanimously.

Following, the meeting was adjourned with plans to reconvene on adjournment of the Senate, this date.

  
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WILLIAM MATHERS

CHAIRMAN



# STANDING COMMITTEE REPORT

March 8 19 77

MR. PRESIDENT

We, your committee on TAXATION

having had under consideration HOUSE Bill No. 50

Respectfully report as follows: That HOUSE Bill No. 50,

third reading bill, be amended as follows:

1. Amend the title, line 16.

Following: "1979"

Insert: "appointing a select legislative committee; and"

2. Amend page 2, line 17.

Following: line 17

Insert: "Section 3. Select committee established. (1) There is a select committee on property taxation consisting of 6 senators appointed by the committee on committees and 6 representatives appointed by the speaker. Not more than 3 appointments from either house may be of the same political party.

(2) The select committee shall elect a chairman and such other officers as it considers necessary, and shall meet upon the call of the chair.

(3) The select committee shall investigate laws relating to property taxation and means of fairly implementing the statewide reappraisal. It shall report its recommendations to the legislature before November 1, 1977.

(4) The department of revenue shall provide technical and research support to the select committee. The legislative council shall publish the report of the select committee.

(5) Members of the committee shall be reimbursed for attending meetings, as provided by law for interim committees, from funds appropriated to the legislative council."

Renumber: subsequent section

AND AS SO AMENDED, BE CONCURRED IN

MATHERS

Chairman.

Amend # 2

Exh. # 1

Section 3. Select committee established.

Appointment

- (1) There is a select committee on property taxation consisting of 6 senators appointed by the committee on committees and 6 representatives appointed by the speaker. Not more than 3 appointments from either house may be of the same political party.

Chairman  
Meetings

- (2) The select committee shall elect a chairman and such other officers as it considers necessary, and shall meet upon the call of the chair.

Mandate

- (3) The select committee shall investigate <sup>laws relating to property taxation and</sup> means of fairly implementing the statewide reappraisal. ~~The~~ shall report its recommendations to the legislature before November 1, 1977.

Staff &  
Support

- (4) The department of revenue shall provide technical and research support to the select committee. The legislative council shall publish the report of the select committee.

Compensation

- (5) Members of the committee shall be reimbursed for attending meetings, as provided by law for interim committees, from funds appropriated to the legislative council.

Accepted

# STANDING COMMITTEE REPORT

March 8 19 77

MR. **PRESIDENT**

We, your committee on **TAXATION**

having had under consideration **SENATE** Bill No. **31**

Respectfully report as follows: That **SENATE** Bill No. **31**,  
introduced bill, be amended as follows:

1. Amend page 1, section 1, line 12 through page 2, line 13.

Strike: ~~section 1 in its entirety~~ Following: ~~line 11~~

Renum: following sections

2. Amend page 11, section 6, line 15.

Following: "91-4419"

Strike: "Bond"

Insert: "Permission"

3. Amend page 11, section 6, line 19.

Following: "may"

Strike: "elect"

Insert: "request"

4. Amend page 11, section 6, line 21.

Following: "property,"

Insert: "permission"

~~REPASS~~ 5. Amend page 11, section 6, line 22.

Following: "tax"

Insert: "or a portion thereof"

**CONTINUED**

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6. Amend page 11, section 6, line 24.

Following: "thereof"

Insert: ", or until payment can be made without liquidating a portion of the capital assets. The department may permit the deferral of payment for not more than 5 years, upon such conditions and terms as the department considers necessary to assure payment"

Following: "."

Strike: the remainder of line 24 through all of line 16 on page 12.

AND AS AMENDED,

DO PASS

WILLIAM MATHERS

CHAIRMAN