

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

March 8, 1977

The thirty-sixth meeting of the Taxation Committee was called to order in Room 415 of the State Capitol Building on the above date at 4:05 p.m., by Chairman Mathers.

ROLL CALL: Roll call found all the members present.

The committee met to attempt to move SB31 out of the committee. This bill had been heard previously and amendments proposed. Mr. Stoll of the Department of Revenue had a number of amendments to the bill; they are on Exh. #1, attached. The amendments were discussed by the committee and questions asked in regard to the cost in revenue lost should the amendments be adopted as they are on Exh. #1. Mr. Stoll gave the committee the approximate cost of each of the proposed changes. He said that SB31 as written would cost approximately \$4.1 million annually and there could be perhaps 66% revenue loss. The committee discussed a change in the exclusions to avoid such a large loss to the state. The Chairman pointed out that inheritance laws had not been changed to any extent since 1923 and he felt that the committee should be more concerned about the taxpayer than the revenue lost, if this amount would not be too substantial.

The questions posed by the committee included hypothetical situations in order that they might arrive at a compromise solution to the present high inheritance and estate taxes. They expressed their doubts about patterning any legislation after the Federal since these are new laws and have not yet been tested, therefore their applicability to Montana law might be questioned at this time.

They discussed omitting amendments #2, 3 and 4 on Exh. #1, and discussed the cost of the legislation without these changes. After this discussion they agreed to accept the remainder of the amendments and they were so moved.

Sen. Turnage Moved to Adopt the Amendments, #1 through #5, 6, 7, 8 and 9 as they appear on Exh. #1. His motion was seconded by Sen. Watt; the motion carried unanimously.

DISPOSITION: Sen. Turnage then Moved SB31 As Amended Do Pass. His motion passed unanimously.

Sen. Watt then asked if the committee would like to make this a committee bill. He said the bill was the result of the interim study on taxation and with the committee's approval, would ask that the committee's name be placed on the bill in conformance with the rules. And with the approval of the committee, SB31 will be a Senate Taxation Committee Bill.

There followed some discussion on the Senate bills left in committee and Sen. Towe moved to table SB423 and 25. His motion was carried unanimously.

The committee again took up HB50 which they had heard and passed on March 8. Sen. Towe wished to specify the date by which the Legislature must take action and this amendment, to go on page 2 of the bill specified the suspension could not continue past December 31, 1978. His amendment was discussed and accepted by the committee and will be a Committee of the Whole Amendment made from the floor.

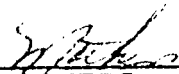
The Chairman then asked the committee to move out some of the other bills that remain in committee and asked for a show of hands regarding income tax measures. He said he would like to move out some of these bills, referring in particular to SB60, 158, 266, 394, 422 and 431.

DISPOSITION: Sen. Turnage Moved SB394 Do Not Pass. This motion failed on a 5-5 tie.

Sen. Turnage then Moved SB431 Do Not Pass. This motion carried unanimously.

Sen. Turnage Moved SB422 Do Not Pass. Sen. Watt made a Substitute Motion that SB422 be held in committee for several more days. This motion carried.

Following these motions, the meeting was adjourned.



WILLIAM MATHERS

CHAIRMAN

SENATE COMMITTEE TAXATION

Date 3/8/77 S. Bill No. 394 Time 5:40

NAME	YES	NO
SEN. WATT	✓	
SEN. BROWN		✓
SEN. GOODOVER		✓
SEN. HEALY		✓
SEN. MANNING	✓	
SEN. NORMAN		✓
SEN. ROSKIE		✓
SEN. TOWE	✓	
SEN. TURNAGE	✓	
CHAIRMAN MATHERS	✓	
	5	5

Nita Fjeseth
Secretary

William L. Mathers
Chairman

Motion: do Not Pass

Motion
Failed

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

STANDING COMMITTEE REPORT

March 8 19 77

MR. PRESIDENT

We, your committee on TAXATION

having had under consideration SENATE Bill No. 431

Respectfully report as follows: That SENATE Bill No. 431

DO NOT PASS

~~DO NOT PASS~~

