HOUSE TAXATION SUBCOMMITTEE

46th Legislature

Rep. E.N.Dassinger, chairman of the subcommittee for House Bills 63 and 64, called the meeting to order in room 434, Capitol Building, Helena, at 8:15 a.m., January 22, 1979. Representatives Johnson, Fabrega were present, as was Mr. Jim Beck, Highway Department, and Mr. Norris Nichols, administrator Motor Fuel Tax Division.

It was agreed to include a previously approved amendment including diesel fuel in the tax with an amendment reading: Page 1, line 24. Following: "nonaviation", insert: "and diesel fuel and other volatile liquids"; and also including amendment in title.

Mr. Beck and Mr. Nichols explained figures showing both a 6% and 5% triggering figure result. See figures attached.

Rep. Vicki Johnson moved that a 6% figure be used as triggering figure.

Rep. Fabrega made a substitute motion that the subcommittee recommend a 5% figure to the taxation committee; whenever a 5% drop in usage occurred the 1/2¢ tax would become effective. Rep. Johnson voted No; Reps. Fabrega and Dassinger voted Yes. Motion carried. See copy of proposed amendment attached.

Rep. Fabrega feels that this formula will work, and moved that when the language for including diesel fuel in the bill and in the title, and on page 2, lines 2 through 13 are deleted; and amendment inserted [see attached amendment (a)], HB 64 be recommended to the committee as Do Pass as Amended. Rep. Johnson dissented; Reps. Dassinger and Fabrega voted Yes - Motion carried.

Meeting adjourned at 8:50 a.m.

REP.E.N.DASSINGER, Chairman

Secretary