

59-E
3/23/79

HOUSE TAXATION COMMITTEE
46th Legislature

Rep. Herb Huennekens, chairman, called the meeting to order in room 434, Capitol Building, Helena, at 4:00 p.m., March 23, 1979. 17 members of the committee were present. Randy McDonald was present. Reps. Fagg & Vinger absent.

This was an executive session.

HOUSE BILL 385 - Rep. Williams moved that HB 385 DO PASS. He then moved amendments be adopted - they were unanimously adopted. Reps. Fagg, Sivertsen and Vinger were absent.

The tax rate goes to 4% of assessed value. Motor vehicles are assessed by the state. The assessed value will be the average trade-in figure. This will avoid shuffling from county to county. Local governments can no longer put a mill levy on motor vehicles. Rep. Fabrega asked how much it will cost to administer this. Minimal cost. There will be a substantial reduction in populous counties. Total income of about 4% increase statewide. This bill will provide automobile owners a 10% reduction in fees.

Rep. Dassinger said the license will not be as high as in the county that has a lower mill levy. HB 385 is based on 250 mill levy - any that are above that presently will go down and those that are lower will go up. Rep. Fabrega said the state presently takes in \$22 million from vehicle license fees.

Motion to DO PASS AS AMENDED was adopted by a roll call vote of 9-8. Reps. Vinger and Fagg were absent.

HOUSE BILL 137 - Rep. Harrington moved HB 137 DO PASS. Rep. Williams opposes the motion because of too much revenue loss. Rep. Harrington moved that page 2, line 3, following "at", strike "10%", insert "11%". Motion to amend was adopted unanimously. Rep. Harrington then moved that HB 137 DO PASS AS AMENDED. Motion succeeded by a 9-8 roll call vote. Reps. Fagg and Vinger were absent.

HOUSE BILL 848 - Rep. Williams moved HB 848 DO NOT PASS. Rep. Dassinger said there is no way to redeem taxes from the federal government - this takes away tax base. Motion was adopted with Reps. Nordtvedt, Harrington and Gilligan voting No. Reps. Vinger and Fagg were absent.

HOUSE BILL 871 - Rep. Williams moved HB 871 DO NOT PASS. There were no Noes. Reps. Fagg and Vinger were absent. Motion was adopted.

HOUSE BILL 398 - Rep. Dassinger moved HB 398 DO PASS. This bill does not take social security into account. Rep. Lien made a motion to amend on page 3, lines 5 and 6 strike "6%" and insert "12%". There were no Noes. Motion adopted.

Rep. Dassinger moved all the brackets be moved down one line - insert "0" in the first bracket and have 90% in the last bracket. There were no Noes. Reps. Fagg and Robbins were absent. Rep. Williams asked what about paying on a tax-exempt income.

Motion to DO PASS AS AMENDED HB 398 was adopted with no Noes. Reps. Vinger, Reichert, Fagg were absent.

HOUSE BILL 339 - Rep. Dassinger moved HB 339 BE TABLED. Motion was adopted with no Noes.

HOUSE BILL 102 - Rep. Dassinger moved HB 102 BE TABLED - motion adopted with no Noes.

HOUSE BILL 744 - This bill establishes a 8.55% for future reappraisals and adjusts inversely. Rep. Yardley's HB 509 allowed an inflation factor. No action was taken.

HOUSE BILL 643 - Rep. Fabrega moved that HB 643 be moved off Tabling. Reps. Dassinger, Johnson and Nordtvedt voted No. Motion was adopted. Rep. Fabrega wishes to place railroads, telephone companies, pipelines at 15% taxable rates; power and gas at 12%. Proposed amendments were adopted with Rep. Nordtvedt voting No. Reps. Vinger and Fagg absent. Rep. Fabrega moved HB 643 DO PASS AS AMENDED. Reps. Dassinger, Dozier, Nordtvedt, Sivertsen, Williams, Underdal voted No. Reps. Vinger and Fagg absent. Nine members voted for adoption of motion.

HOUSE BILL 916 - As chairman Rep. Huennekens moved HB 916 DO PASS AS AMENDED. Reps. Nordtvedt, Sivertsen, Johnson, Underdal voted No. Reps. Fagg and Vinger were absent. Motion was adopted.

HOUSE BILL 831 - Rep. Burnett moved HB 831 be reconsidered. Motion was adopted. He then moved amendments be adopted. There were no Noes. Rep. Burnett moved HB 831 DO PASS AS AMENDED. Roll call vote of 10-7 adopted motion.

HOUSE BILL 631 - Rep. Burnett moved HB 631 BE TABLED. Motion was adopted unanimously.

HOUSE BILL 643 - Rep. Fabrega moved to change the effective date to after December 31, 1979. Amendments were adopted. Reps. Fagg and Vinger absent.

HOUSE BILL 821 - Rep. Harrington moved HB 821 DO PASS. Rep. Hirsch moved proposed amendments be adopted - motion adopted with two Noes. Reps. Robbins, Vinger, Fagg, Burnett and Lien were absent. Reps. Nordtvedt and Johnson voted No. Motion to DO PASS AS AMENDED was adopted by those present.

HOUSE BILL 758 - Rep. Lien moved HB 758 DO NOT PASS. Motion to adopt amendments succeeded with no Noes. Motion to DO NOT PASS HB 758 AS AMENDED was adopted with no Noes.

HOUSE BILL 592 - Rep. Nordtvedt asked that HB 592 be taken from Tabling. Motion succeeds by a roll call vote of 10-6. Rep. Lien moved to amend to 10% instead of 2% tax credit. Rep. Nordtvedt said the 2% is in accordance with 10% business credit federal allowance. Motion failed by a roll call vote of 6-9.

Rep. Nordtvedt moved HB 592 DO PASS. Motion failed 7-8 roll call vote. HB 592 is to go to floor with a DO NOT PASS recommendation.

Meeting adjourned at 5:30 p.m.



REP. HERB HUENNEKENS, Chairman



Josephine Lahti, Secretary