

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

March 3, 1979

The fortieth meeting of the committee was held on the above date in Room 415 of the State Capital Building with Chairman Turnage presiding.

ROLL CALL: Roll call found all members present. Witnesses presenting testimony are listed on attached Register.

CONSIDERATION OF HOUSE BILL 457: Representative Harper presented his bill which he said would require the Department of Revenue to collect and publish information on taxable property in the counties and cities as well as the state. He presented Mr. Mizner who further enlarged on the intent of the bill. He stated they had asked the Department to itemize some of the property in the cities and towns, value of autos, and similar breakdowns, how much of the license fee goes to the cities and towns, but were unable to obtain this information. He said the Department goes by school districts and he wished to point out that the school districts have no bearing on city limits. He said sometimes the taxable values went down, and sometimes there were requests for such data and none was available. He cited examples of how taxable values had changed in one certain town. Building permits had totaled \$1 million in a year and when they asked the Department for the total, the Department said the value had gone down. Mr. Mizner said he felt such information should be available not only to the cities and towns themselves, but also for the Legislature which enacts a great deal of important legislature on the basis of such information.

David Hunter, City of Helena, rose in support of the bill also and said they too needed such breakdown, particularly for property tax classification, to separate commercial from residential.

Representatives of the Department of Revenue, Mr. Hutchinson and Mr. Burr, responded to questions from the committee concerning the availability of information as referred to in the testimony. They testified the present data systems are not set up to run totals for cities and towns. It was pointed out that the bill would separate taxable value for autos, business inventories, residential property, and others. They noted the Fiscal Note was the cost of reprogramming the computer for separation of the data for those counties which have their computer systems, numbering about 20.

The committee asked a number of questions of the witnesses and following brief discussion, closed hearing on HB457.

CONSIDERATION OF HOUSE BILL 266: Rep. Hirsch introduced his bill which he said changes the addition of agricultural assessment on newly-irrigated land. He said many farmers and ranchers are not familiar with the portion of the law which said the land may not be reassessed for three years. There were no other proponents or opponents to the bill and committee members were permitted to ask ques-

tions. Senator Manley asked how this bill would relate to the irrigation sprinkler exemption bill which had come out of this committee. Senator Towe suggested an amendment to the bill in the event Senator Manley's bill, Senate Bill 167 did pass. There followed brief discussion and the hearing on HB266 was closed.

CONSIDERATION OF HOUSE BILL 499: Representative Johnson said her bill provides penalty and interest rate for the Consumer Council for failure to file gross operating revenue statement. Mr. Madison of the Department said they had been trying to standardize the method of penalty to bring this tax in line with changes in other licenses in the Miscellaneous Tax Division. He said there were 4 other bills coming that were also a part of their on-going project to bring such miscellaneous licensing into conformity.

The Chairman called for other proponents or opponents, and following, for questions of the committee. It was brought out that the larger companies in the state pay the major share of the tax; however anyone, firm, company, that is regulated by the Public Service Commission is liable for the Consumer Council tax. Senator Towe stated the council has very little income coming in and at one time had depleted their funds. Following discussion the committee decided to move the bill:

Senator Norman Moved HB499 Be Concurred In. The motion carried unanimously.

The Chairman then asked the committee to look over Senate Bills 234, 235 and 236, by Senator MacCallum. He said the bills had been written to provide procedures for general bond elections one for cities, one for counties and one for local governments and he said the bills could be amended, perhaps all included in just one bill.

There followed discussion on the amending of the bills and SB234 was discussed and amended, see Committee Report attached. The amendments were accepted.

Senator Towe Moved Amendments to SB234. Motion carried.

Senator MacCallum then Moved SB234, As Amended, Do Pass. The motion carried. Note for the record "No" votes cast by Senators Brown and Roskie.

The committee then discussed SB235 and agreed that with the proper amendments, similar to those of SB234, this bill too, could go out of the committee.

Senator Towe Moved SB236 be Tabled. Motion carried unanimously.

Senator Goodover Moved SB430 be Tabled. Motion carried. Note for the record "No" votes were cast by Senators Hager and Towe.

Senator Severson Moved SB343 be Tabled. Motion carried unanimously.

Meeting was then adjourned.


JEAN A. TURNAGE - CHAIRMAN

STANDING COMMITTEE REPORT

March 3 19 73

MR. President

We, your committee on Taxation

having had under consideration Senate Bill No. 234

Respectfully report as follows: That Senate Bill No. 234,

introduced bill, be amended as follows:

- 1. Page 1, line 23.
Following: "raised;"
Strike: "and"
- 2. Page 1, line 24.
Following: "required"
Insert: "; and
(d) the specific mill levy limitation to be exceeded"
- 3. Page 2, lines 2 and 3.
Following: "at"
Strike: "a"
Insert: "the next"
Following: "regular"
Insert: "general"
Following: "election"
Strike: remainder of line 2 through "body" on line 3

DONPASS

CONTINUED

Page 2 Senate Bill 234 Taxation Committee

4. Page 2, line 6.
Following: "resolution"
Insert: "for a period not to exceed 2 years"
5. Page 2, lines 13 through 17.
Following: "given"
Strike: remainder of line 13 through 17
Insert: "in the manner prescribed by law for noticing of elections"
6. Page 3, line 3.
Following: "made"
Insert: "and the period for which it shall be in effect"
7. Page 3, line 20.
Following: line 19
Insert: "Section 7. Emergency provisions in effect. Nothing in [this act] shall affect the emergency levy as provided by law."

And, as so amended,

DO PASS

JEAN A. TURNAGE - CHAIRMAN

Date MAR. 3, 1979

ROLL CALL

SENATE TAXATION COMMITTEE

46th LEGISLATIVE SESSION - 1979

NAME	PRESENT	ABSENT	EXCUSED
SEN. GOODOVER (Vice Chairman)	✓		
SEN. BROWN	✓		
SEN. HAGER	✓		
SEN. MANLEY	✓		
SEN. MANNING	✓		
SEN. McCOLLUM	✓		
SEN. NORMAN	✓		
SEN. ROSKIE	✓		
SEN. SEVERSON	✓		
SEN. TOWE	✓		
SEN. WATT	✓		
CHAIRMAN TURNAGE	✓		

Each Day Attach to Minutes.