

MINUTES OF THE HOUSE TAXATION COMMITTEE MEETING
January 27, 1981

A meeting of the House Taxation Committee was held on Tuesday, January 27, 1981 at 8:00 a.m. in Room 102 of the State Capitol. All members were present except Rep. Brand, who was absent. HOUSE BILL 343 and HOUSE JOINT RESOLUTIONS 10 and 14 were heard and EXECUTIVE ACTION was taken on HOUSE BILL 250.

HOUSE JOINT RESOLUTION 10, sponsored by Rep. Budd Gould, was heard first. He told his constituents that the Legislature would come up with some sort of tax relief. He commented that probably what the Legislature would come up with would be a "band-aid." The importance of this Resolution will probably come about the first of May. He stated that he did not have any ideas about how the problem could be solved, but he thought the Legislature could come up with something that could be permanent. He said that he preferred that both members of the Revenue Oversight Committee and other Committees be on the Interim Committee.

Doris Shepherd, Montana Association of Counties, then rose as a PROPONENT to HJR 10.

Keith Richardson, Montana Taxpayers Association, also rose in support of the measure. He expressed the belief that the tax structure of Montana should be studied, and that this should be an on-going process. He took exception to excluding a sales tax as an alternative, however. Sales taxes would have provided \$95.2 million in revenue for Montana in the past two years.

There were no OPPONENTS to HJR 10. Questions were then asked. Rep. Gould stated that it had been his desire to include some reference to excluding a sales tax in the Resolution, and suggested that some coal funds might be earmarked towards property tax relief, and there might be many different things which could be directed towards the replacement of especially the education portion of the property tax.

In response to a question from Rep. Devlin, Rep. Gould said that he would not be opposed to striking the lines excluding a sales tax, provided that it could be explained to the full body of the House that there is no political reality of a sales tax.

Rep. Gould then closed, reiterating that this is a very important matter for the counties as well as the Legislators, and the Resolution would provide a means for them to look at the area during the interim. The hearing on HJR 10 was then closed.

HOUSE JOINT RESOLUTION 14, sponsored by Rep. Gene Ernst, was then heard. The resolution calls for the Revenue Oversight Committee to investigate the possibilities of replacing the property tax with an income tax for elementary and secondary education. He stated that

Mr. Ed Kohler, a former State Representative and rancher from Judith Basin County, had made a personal study of taxes for the past 10- 15 years, and had requested that a bill be introduced. This bill had such a far-reaching impact that the Legislative Council had told him that it would take too long to draft it in time for this Legislative Session. HJR 14 was drawn up as a compromise, asking for the Revenue Oversight Committee to look at the idea and possibly have a bill drafted for the next Legislative session.

Mr. Ed Kohler then rose in support of the Resolution. He submitted that depending on where an individual paid property taxes, 50 - 60% went towards primary and secondary education and if education could be funded with an individual income tax, it would follow that 50 - 60% of all property taxes would not have to be levied. Only personal and individual income taxes would fund education, and more dollars would be generated from the larger incomes than the lower ones. The poor and the retired would realize a 100% savings, since they pay no income tax. Any tax on business or industry is passed on by way of higher costs to the consumer; he asked the Committee, "How many times does a single tax on a corporation or business come back to haunt you?" All of the hidden tax that is passed on could be deducted from income taxes, if it were paid directly by the consumer. This system would be a deterrent to inflation. The Department of Revenue staff would be reduced because state-wide assessments would be unnecessary. Property taxation for funding education may have been in order at one time, but today it has become obsolete. Rural areas use property taxes to cover up to 100% of their costs; and urban areas use 60% state aid. He added that the present system is easily manipulated, and always in favor of big city schools. The permissive area of school funding is enhanced by uniform state levies when the deficiency occurs, and again rural property valuations are used. Cities all have the same problem, namely, the lack of property valuations. The rich rural mill funds the schools. A taxing system that forces people to vote against their own needs for the needs of others is a poor example of democracy. The flow of tax dollars is a greater producer of wealth than any other business. \$369 million in the last biennium was spent on education. It would take about 14.7% of total taxable personal income to fund education. There would be other taxes for funding government, and property taxes could very well be even further reduced.

Doris Shepherd, Montana Association of Counties, then rose in support of HJR 14.

There were no OPPONENTS to HJR 14. Questions were then asked. Rep. Dosier questioned Mr. Kohler on the statement that urban taxes are lower than in rural areas. He replied that in the case of the City of Great Falls, they levied 227 mills in 1978 or 1979, and they had a tax per capita of \$162. In Judith Basin County, the rate was about \$1,300 per capita.

Rep. Ernst then closed. He reiterated that if public education could be substituted out of property taxes, they would be reduced considerably. He closed by stating that, since property taxes are becoming an overbearing burden, this would be a philosophically different approach to solving the problem. The hearing on HJR 14 was then closed.

HOUSE BILL 343, sponsored by Rep. Harp was then heard. He stated that present law provides for property tax relief for real property which is destroyed by natural disaster. This bill would include trailers and mobile homes under the provision. He stated that the original law had been enacted as a result of the Pattee Creek Canyon Fire in Missoula in 1977. The people who lost their houses had paid their taxes, and the local government felt it was only right that they be prorated or refunded, because of the natural disaster. It was probably an oversight by the Legislature to leave out mobile homes and house trailers. This bill wouldn't include anyone who wasn't a permanent resident or anyone who was delinquent in their taxes.

Mr. Dennis Burr, Montana Taxpayers' Association, then rose, wishing to go on record as being a PROPONENT.

There were no OPPONENTS to HB 343. Questions were then asked. The hearing was then closed.

The Committee then went into EXECUTIVE SESSION. Rep. Burnett moved that HOUSE BILL 250 DO PASS.

Rep. Harrington rose in opposition to Rep. Burnett's motion. He stated that he felt all of the indexing bills should first be scrutinized.

Chairman Nordtvedt said that the State bill presumed to be in the pipeline was substantially different, and he preferred to see HB 250 moved out of Committee. Some technical amendments which had been generated by the Attorney General's office were then distributed by Rep. Nordtvedt. Chairman Nordtvedt then turned the chair over to Vice Chairman Sivertsen in order to move that the amendments be adopted. The question was called for and the motion carried unanimously. Discussion on the bill continued.

Rep. Dozier stated that his problem with passing the bill out of Committee at this time was that the appropriation and revenue pictures weren't clear enough yet. Rep. Nordtvedt responded that there had been three overviews of revenue and proposed spending levels, one by the Fiscal Analyst, whose proposed spending program left \$125 million which could be used for new programs; program adjustments or tax relief. This was leaving a \$20 million final balance. Rep. Nordtvedt's personal overview would also leave a \$20 million final balance and would leave \$72 million for new programs, etc. Governor Schwinden's budget leaves \$45 million for tax relief. HB 250 would have a fiscal impact of \$25 million or less in the coming

biennium, and will thus put them well within the margin of any of the estimates.

Rep. Zabrocki moved that HB 250 be tabled, stating that it was only fair to Gov. Schwinden to look at his proposal first. He suggested that the Governor's proposal might be amended to go with this bill.

Rep. Harrington wanted to know how much Coal Tax money was used towards tax relief under HB 250. Rep. Nordtvedt replied that the Fiscal Analyst's figures used both the Resource and Indemnity Fund and the earnings from the Coal Trust Fund. Rep. Nordtvedt's personal dollar projections did not count the Resource and Indemnity Fund, but counted the monies from the Coal Trust Fund.

Rep. Williams stated that one thing that concerned him about indexing was that, in order to ensure fiscal responsibility of the Legislature, a built-in mechanism should be provided, to allow for a definite surplus and then for a trigger mechanism for indexing. He would like to see \$25 million as a surplus figure.

Rep. Nordtvedt replied that he appreciated that point of view, but it destroyed the whole idea of indexing.

Rep. Dozier stated that he felt it was irresponsible to move this bill out of Committee, although he has no argument with the bill itself. He stressed that the revenue process calls for a lot of "fine tuning" and if HB 250 were passed out so early, the ability to fine tune at the end would be lost.

Rep. Nordtvedt replied that this in fact was a responsible move. He added that there was a new point of view in the Legislative body which is that tax policy, although it is still a junior partner to the appropriations process, is not the total secondary partner it was in previous years. If the Legislature commits itself to certain tax relief proposals early, that is responsible and has comparable priority with the spending process.

Rep. Dozier stated that the Legislature committed itself early in the last session, but after some of the bills started coming through, and he reiterated that the whole package needs to be looked at. He added that there were other tax relief programs that might have to be backed off on because HB 250 had gone through.

Rep. Harrington wanted to know why the Committee couldn't keep all of these bills together and come out with the best plan possible. He rose in support of the motion to table this bill.

Rep. Sivertsen wanted to know how the fiscal impact of HB 250 compared to the impact of HB 155. Rep. Nordtvedt said that HB 155 was a fine-tuning bill for the end of the process. He reiterated that three different fiscal impacts had been estimated for HB 250:

\$22.5 million from the Fiscal Analyst; \$23 million by his own estimates; and \$27.43 million on the Fiscal Note.

Rep. Dozier stressed that he wasn't pushing the Governor's bill, and didn't even know how it read; however, he thinks a lot of things would be precluded if HB 250 passed at this time. He stressed that this was not a partisan issue.

Rep. Neuman expressed support of the bill, and didn't feel it was political, and stressed that there was a lot of legislation that had to yet be looked at, and to pass HB 250 out at this time was not fiscally responsible.

Rep. Williams stated that he doesn't see any reason why the trigger mechanism couldn't be put in the bill, and then the forthcoming bills could be looked at. He expressed the belief that the trigger mechanism was the safe and right way to go.

Rep. Zabrocki stated that by tabling HB 250, the Committee would not be killing it or sending it out as a DO PASS; it would just be allowing itself to look at the whole package of bills. He stressed that the Committee be fair to everybody and look at all the bills, and possibly combine some of them. He said that the Committee needed to have pride in itself and the bills it produced.

Rep. Dozier brought up the bill which would reduce the cattle tax, which will affect property tax levels. If adjustments are going to be made to help local revenues, the Committee might have to do something with the income tax.

Rep. Switzer stated that a drop in cattle revenue would be about 2% of the budget, if anything. He added that he preferred HB 250 to have the exemption level at \$1,250 rather than \$1,000.

Rep. Asay said that this was the third bill the Committee had considered on increasing the income tax exemption, and this bill was the smallest of the increases. Therefore, the Committee has had an opportunity for examining the subject. He spoke up in opposition to the Motion to table HB 250.

The question was then called for on the substitute motion that HB 250 be TABLED; motion failed 7 - 11; see roll call vote. The original motion of DO PASS AS AMENDED was then reverted to.

Rep. Williams asked Rep. Nordtvedt to explain why he didn't want a trigger mechanism included in the bill. Rep. Nordtvedt stated that the whole purpose of indexing was to make the income tax system not automatically inflate with inflation. If indexing can be stopped from going into effect, in effect the State can automatically increase income taxes by overspending. The whole purpose of indexing would be destroyed by a trigger mechanism. He added that even now, on the

state level, taxes cannot be raised, but a trigger mechanism would automatically raise taxes.

Rep. Williams replied that in this case, taxes would automatically be lowered. The trigger mechanism would trigger the base. If the Legislature was in a session now where it looked like proposed spending levels would consume most of the expected revenues, then he could see the argument to raise the base and make it contingent on unexpected surpluses. However, many people in the Legislature feel that the surplus in state government and projected revenues will be greater than expenses, which indicates that income taxes are being over-collected, so a permanent increase in the exemption can be funded.

The \$1,000 exemption level was proposed two years ago, and this was reduced to \$800, so this is not a new idea before the body. He added that many Legislators feel \$1,000 is a reasonable level for the personal exemption.

Rep. Williams reiterated his concern that if economic conditions in Montana changed, and the State tried to give tax relief, it would have no way to raise money if a deficit occurred. Indexing wouldn't be affected if there was a trigger mechanism for the base.

Rep. Harrington said that he thought this was very important, also. Basically, the trigger mechanism does give the State the protection that it would be able to fund if an economic downturn occurred.

Rep. Switzer asked, what better time was there for tax relief than during an economic crunch.

Rep. Roth expressed the belief that this is one way the economy could be stimulated, by generating funds back into the private sector.

Rep. Underdal asked Rep. Nordtvedt if he believed the \$1,000 figure was too low. Rep. Nordtvedt replied that it was his personal opinion that it was, but it had been decided that this was a responsible level. When put in the perspective that this is still the lowest point as far as exemption amounts since 1967, it seems the least that can be done. He pointed out that even on Governor Schwinden's spending projections, this bill only consumes about half of the money set aside for tax relief.

Rep. Hart brought up the possibility that if the severance tax was shot down in the courts, the State would have to pay back all the taxes it had collected. Rep. Nordtvedt replied that this would be unprecedented and would probably trigger a special session of the Legislature. He pointed out that half of this tax is presently being left in a fund. Also, the tax would probably not be reduced

to under 12.5%. He stated that the question didn't have much relevance to HB 250 at any rate.

Rep. Zabrocki asked Rep. Nordtvedt if he admitted that the bill could be amended to increase the exemption amount, and that there might be a better proposal. Rep. Nordtvedt disagreed and emphasized that HB 250 was a consensus bill and had the input of many people.

The question was then called for on the motion of DO PASS AS AMENDED; motion carried 11 - 7; see roll call vote.

HOUSE BILL 160 was then considered. It was pointed out that the hearings had been very misleading in that the Veterans had thought that truck campers, etc., were referring to them.

Rep. Dozier said that the Veterans preferred the other bill on this subject, and they would like to see HB 160 tabled, and if the other bill didn't clear, then this bill could be fell back on.

Chairman Nordtvedt stated that Rep. Sales had wanted this bill passed out of Committee and sent to the Senate Taxation Committee in order that both bills could be heard together in the Senate. Since the purpose of the bill would be to put the Veterans back into the situation they were in before, maybe the bill should be sent on to the Senate.

Rep. Williams stated that his only problem with the bill was that it would be changing the tax classification. He made a substitute motion that HB 160 DO NOT PASS.

Rep. Nordtvedt said that there presently was a 3% Class - Class 5 - so a new one wouldn't be created. The bill would simply be moving dwellings for 100% disabled Veterans into this Classification.

Rep. Williams argued that this would be putting unlike property into that classification. Rep. Sivertsen rose in support of Rep. Williams' argument. He added that the other bill addressed the problem and still treated the Veterans fairly.

The question was then called for on the motion that HB 160 DO NOT PASS. The vote was tied 8 - 8; see roll call vote. The motion therefore failed, and the Committee then voted on the original motion to TABLE HB 160. The motion to TABLE carried 11 - 5; see roll call vote.

HOUSE BILL 391 was then considered. Rep. Roth moved that it DO PASS. Chairman Nordtvedt presented an amendment which would accomplish what Rep. Winslow had intended the bill to do: charitable

contributions were to be added on to the standard deduction.

Rep. Underdal moved that the amendment be adopted; motion carried unanimously. Rep. Williams said that he wanted to see a Fiscal Note for the bill; Chairman Nordtvedt agreed to have one ordered. Further action on HB 391 was deferred until the Fiscal Note arrived.

The meeting was adjourned at 9:45 a.m.

Rep. Ken Nordtvedt, Chairman

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SUGGESTED AMENDMENTS

TO HB 391

1. Title, line 5.
Following: "AS"
Strike: "A PART OF"
Insert: "AN ADDITION TO"
2. Page 1, line 19.
Following: "15-30-121"
Insert: "other than charitable contributions and gifts allowed under section 170 of the Internal Revenue Code"
3. Page 1, line 20.
Following: "\$1,000"
Insert: "plus the charitable contributions and gifts allowed under section 170 of the Internal Revenue Code"
4. Page 1, line 22.
Following: "\$2,000"
Insert: "plus the charitable contributions and gifts allowed under section 170 of the Internal Revenue Code"

SUGGESTED AMENDMENTS

TO HB 391

1. Title, line 5.

Following: "AS"

Strike: "A PART OF"

Insert: "AN ADDITION TO"

2. Page 1, line 19.

Following: "15-30-121"

Insert: "other than charitable contributions and gifts allowed under section 170 of the Internal Revenue Code"

3. Page 1, line 20.

Following: "\$1,000"

Insert: "plus the charitable contributions and gifts allowed under section 170 of the Internal Revenue Code"

4. Page 1, line 22.

Following: "\$2,000"

Insert: "plus the charitable contributions and gifts allowed under section 170 of the Internal Revenue Code"

HOBSON FILE NO. 201

James E. Hester Governor
John W. Carr Treasurer
William R. Hooper III

A BILL FOR AN ACT ENTITLED: "AN ACT TO AUTHORIZE A DEDUCTION FOR CHARITABLE CONTRIBUTIONS AS A PART OF THE STANDARD DEDUCTION OF A RESIDENT INDIVIDUAL IN COMPUTING TAXABLE INCOME; AMENDING SECTION 15-30-122, REVENUE CODE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 15-30-122, Section 15-30-122, Revenue Code, is amended to read:
"15-30-122. Standard deduction. In the case of a resident individual, a standard deduction shall be allowed for adjusted gross income that is allowed if elected by the taxpayer on his return equal to 15% of adjusted gross income plus the deduction allowable for charitable contributions and gifts under section 170 of the Internal Revenue Code whether or not the taxpayer claimed the deduction on his federal return. The standard deduction shall be in lieu of all deductions allowed under 15-30-121. The maximum standard deduction shall be \$1,000, except in the case of a single joint return of husband and wife the maximum standard deduction shall be \$2,000. The standard deduction shall not be allowed to either the husband or the wife if the tax of one of the spouses is determined without regard to the standard deduction. For purposes of this section, the

1 determination of whether an individual is married shall be
2 made as of the last day of the taxable year, provided
3 however, if one of the spouses dies during the taxable year,
4 the determination shall be made as of the date of death.

-End-

WV

SUGGESTED AMENDMENTS

TO HB 391

1. Title, line 5.
Following: "AS"
Strike: "A PART OF"
Insert: "AN ADDITION TO"

2. Page 1, line 19.
Following: "15-30-121"
Insert: "other than charitable contributions and gifts allowed
section 170 of the Internal Revenue Code"

3. Page 1, line 20.
Following: "\$1,000"
Insert: "plus the charitable contributions and gifts allowed
under section 170 of the Internal Revenue Code"

4. Page 1, line 22.
Following: "\$2,000"
Insert: "plus the charitable contributions and gifts allowed
under section 170 of the Internal Revenue Code"

Amendments to House Bill No. 250

1. Title, line 7.
Following: "3"
Insert: "1,"
2. Title, line 8.
Following: "1979"
Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"
3. Page 1.
Following: line 10.
Insert: "Section 1. Section 1 of Initiative No. 86 is amended to read:

"Section 1. Section 15-30-101, MCA, is amended to read:
"15-30-101. Definitions. For the purpose of this chapter, unless otherwise required by the context, the following definitions apply.

(1) "Base year structure" means the following elements of the income tax structure:

(a) the tax brackets established in 15-30-103 in effect on January 1, 1980 June 30, 1981 ;

(b) the exemptions contained in 15-30-112 in effect on January 1, 1980 June 30, 1981 ;

(c) the maximum standard deduction provided in 15-30-122 in effect on January 1, 1980 June 30, 1981 .

(2) "Consumer price index" means the consumer price index, United States city average, for all items, using the 1967 base of 100 as published by the bureau of labor statistics of the U.S. department of labor.

(1)(3) "Department" means the department of revenue.

(2)(4) "Dividend" means any distribution made by a corporation out of its earnings or profits to its shareholders or members, whether in cash or in other property or in stock of the corporation, other than stock dividends as herein defined. "Stock dividends" means new stock issued, for surplus or profits capitalized, to shareholders in proportion to their previous holdings.

(3)(5) "Fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator, or any person, whether individual or corporate, acting in any fiduciary capacity for any person, trust, or estate.

(4)(6) "Foreign country" or "foreign government" means any jurisdiction other than the one embraced within the United States, its territories and possessions.

(5)(7) "Gross income" means the taxpayer's gross income for federal income tax purposes as defined in section 61 of the Internal Revenue Code of 1954 or as that section may be labeled or amended, excluding unemployment compensation included in federal gross income under the provisions of section 25 of the Internal Revenue Code of 1954 as amended.

(8) "Inflation factor" means a number determined for each taxable year by dividing the consumer price index for June of the taxable year by the consumer price index for June, 1980.

(6)(9) "Information agents" includes all individuals, corporations, associations, and partnerships, in whatever capacity acting, including lessees or mortgagors of real or personal property, fiduciaries, employers, and all officers and employees of the state or of any municipal corporation or political subdivision of the state, having the control, receipt, custody, disposal, or payment of interest, rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable annual or periodical gains, profits, and income with respect to which any person or fiduciary is taxable under this chapter.

(7)(10) "Knowingly" is as defined in 45-2-101.

(8)(11) "Net income" means the adjusted gross income of a taxpayer less the deductions is allowed by this chapter.

(9)(12) "Paid", for the purposes of the deductions and credits under this chapter, means paid or accrued or paid or incurred, and the terms "paid or incurred" and "paid or accrued" shall be construed according to the method of accounting upon the basis of which the taxable income is computed under this chapter.

(10)(13) "Purposely" is as defined in 45-2-101.

(11)(14) "Received", for the purpose of computation of taxable income under this chapter, means received or accrued and the term "received or accrued" shall be construed according to the method of accounting upon the basis of which the taxable income is computed under this chapter.

(12)(15) "Resident" applies only to natural persons and includes, for the purpose of determining liability to the tax imposed by this chapter with reference to the income of any taxable year, any person domiciled in the state of Montana and any other person who maintains a permanent place of abode within the state even though temporarily absent from the state and has not established a residence elsewhere.

(13)(16) "Taxable income" means the adjusted gross income of a taxpayer less the deductions and exemptions provided for in this chapter.

(14)(17) "Taxable year" means the taxpayer's taxable year for federal income tax purposes.

(15)(18) "Taxpayer" includes any person or fiduciary, resident or nonresident, subject to a tax imposed by this chapter and does not include corporations."

Renumber: ~~#1~~ subsequent sections

4. Page 5, line 4.
Following: "1979"
Insert: "as amended by this act"

5. Page 10.
Following: line 5.
Insert: "Section I. Effective date. This act is effective
on passage and approval."

HOUSE BILL 250, introduced (white), be amended as follows:

1. Title, line 7.
Following: "SECTIONS"
Insert: "1,"
2. Title, line 8.
Following: "1979"
Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"
3. Page 1, line 10.
Following: line 10
Insert: "Section 1. Section 1 of Initiative No. 86 is amended to read:
"Section 1. Section 15-30-101, MCA, is amended to read:
"15-30-101. Definitions. For the purpose of this chapter, unless otherwise required by the context, the following definitions apply:
(1) "Base year structure" means the following elements of the income tax structure:
(a) the tax brackets established in 15-30-103, but unadjusted by subsection (2), in effect on ~~January-17-1980~~ June 30 of the taxable year;
(b) the exemptions contained in 15-30-112, but unadjusted by subsections (7) and (8), in effect on ~~January-17-1980~~ June 30 of the taxable year;
(c) the maximum standard deduction provided in 15-30-122, but unadjusted by subsection (2), in effect on ~~January-17-1980~~ June 30 of the taxable year.



Amendments to House Bill 250

1. Title, Line 7. Following "SECTIONS" insert "1,"
2. Title, Line 8. Following "1979" insert "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"
3. Page 1, following line 10 insert "Section 1. Section 1 of Initiative 86 is amended to read:

(a) the tax brackets established in 15-30-103, but unadjusted by subsection (2), in effect on ~~January 1, 1980~~ June 30 of the taxable year;

(b) the exemptions contained in 15-30-112, but unadjusted by subsections (7) and (8), in effect on ~~January 1, 1980~~ June 30 of the taxable year;

(c) the maximum standard deduction provided in 15-30-122, but unadjusted by subsection (2), in effect on ~~January 1, 1980~~ June 30 of the taxable year.

.....

4. Page 5, line 4. Following "1979" insert "as amended by this act"
5. Page 10, following line 5, insert "Section 10. Effective date. This act is effective on passage and approval."

Amendments to House Bill 250

1. Title, Line 7. Following "SECTIONS" insert "1,"
2. Title, Line 8. Following "1979" insert "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"
3. Page 1, following line 10 insert "Section 1. Section 1 of Initiative 88
is amended to read:

(a) the tax brackets established in 15-30-103, but unadjusted by subsection (2), in effect on ~~January 1, 1980~~ June 30 of the taxable year;

(b) the exemptions contained in 15-30-112, but unadjusted by subsections (7) and (8), in effect on ~~January 1, 1980~~ June 30 of the taxable year;

(c) the maximum standard deduction provided in 15-30-122, but unadjusted by subsection (2), in effect on ~~January 1, 1980~~ June 30 of the taxable year.

.....

4. Page 5, line 4. Following "1979" insert "as amended by this act"
5. Page 10, following line 5, insert "Section 10. Effective date. This act is effective on passage and approval."

STANDING COMMITTEE REPORT

.....January 23,..... 19 51.....

MR. SPEAKER.....

We, your committee on.....**TAXATION**.....

having had under consideration.....**HJR**..... Bill No. **10**.....

**A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES
OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF ALTERNATIVES
TO THE MONTANA PROPERTY TAX.**

Respectfully report as follows: That.....**HJR**..... Bill No. **10**.....

DO NOT PASS

XOXOXOXOX

.....**REP. KEE NORDTVEDT,**..... Chairman.

STANDING COMMITTEE REPORT

April 10, 1921

MR. SPEAKER

We, your committee on TAXATION

having had under consideration SJR Bill No. 10

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA URGING THE CONGRESS OF THE UNITED STATES TO REMOVE ALCOHOL FUEL PRODUCTION PERMITS AND INFORMATION FROM THE CONFIDENTIALITY REQUIREMENTS OF THE INTERNAL REVENUE CODE AND URGING THE BUREAU OF ALCOHOL, TOBACCO AND FIREARMS TO MAKE THIS INFORMATION AVAILABLE.

Respectfully report as follows: That SJR Bill No. 10

BE CONCURRED IN

COOPASS

STANDING COMMITTEE REPORT

.....January 29,..... 19...51..

MR. SPEAKER.....

We, your committee on TAXATION.....

having had under consideration EJR..... Bill No. 14

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES
OF THE STATE OF MONTANA REQUESTING THE REVENUE OVERSIGHT COMMITTEE
TO INVESTIGATE THE ADVANTAGES OF REPLACING PROPERTY TAXATION WITH
A PERSONAL INCOME TAX TO FUND PUBLIC ELEMENTARY AND HIGH SCHOOLS.

Respectfully report as follows: That..... EJR..... Bill No. 14

DO NOT PASS

~~XXXXX~~
DO PASS

STANDING COMMITTEE REPORT

January 29, 19 51

MR. SPEAKER

We, your committee on TAXATION

having had under consideration HOUSE Bill No. 343

A BILL FOR AN ACT ENTITLED: "AN ACT TO MAKE HOUSETRAILERS AND MOBILE HOMES ELIGIBLE FOR PROPERTY TAX RELIEF WHEN DESTROYED BY NATURAL DISASTER; AMENDING SECTION 15-16-611, MCA."

Respectfully report as follows: That HOUSE Bill No. 343

DO PASS