

MINUTES OF THE MEETING  
TAXATION COMMITTEE  
MONTANA STATE SENATE

January 9, 1981

The first meeting of the Taxation Committee was called to order at 8:05 a.m. by Chairman Pat M. Goodover in Room 415 of the State Capitol Building.

ROLL CALL: All members present.

CONSIDERATION OF SENATE BILL 3: Senator Norman presented his bill explaining that it doesn't add or subtract anything, but allows the Department of Revenue more time to compute and collect taxes on new tax districts, school districts, etc., if they come in after January 1 of a given year. This bill proposes that the Department of Revenue may not be required to levy or compute a tax for any new taxing jurisdiction created, or for change in an existing jurisdiction, unless they are formally notified of its creation or change by January 1 of the year in which the taxes are to be levied.

County Assessor proponent Doug Campbell, Missoula County, testified that County Assessor's offices are having enough trouble getting tax assessment notices out on existing properties and that the additional assessment of new or changed jurisdictions causes delay in the notice process. Mr. Campbell said the new tax would have to be approved by County Commissioners and then assessors would levy the tax the following year. The present law states that new taxing jurisdictions will not be accepted unless approved by January 1 of each year. This law applies only to additions or changes in the districts.

Senator Towe said that Representative Earl Lory had an amendment regarding the amount allocated Consumer Council and Senator Towe asked Cort Harrington, Legislative Council staffer, to coordinate Rep. Lory's amendment with Senate Bill 3. Senate Bill 3 will be considered at a later date.

CONSIDERATION OF SENATE BILL 17: Senator Thomas addressed the Committee on his bill. He said that the bill was initiated by the Revenue Oversight Committee as part of an interim study about payment of taxes under protest, and that 1) the party protesting must go through the tax appeals process before going to court unless the two parties mutually agree to by pass, and 2) all taxes that have been paid under protest and have been ruled by the board as incorrect may be ordered by the board to be refunded by the County Commissioners. Senator Thomas said difficulties have been encountered with the language in this bill and that within 2 or 3 days the Taxation Committee will be able to see some amendments.

Proponents

Bob Randall, State Tax Appeal Board member, said they have an enormous backlog of cases that have been appealed awaiting final disposition. He feels this legislation is needed so there would be a method whereby a taxpayer could pay his taxes under protest and that that portion be set aside so they can get the refund.

Mike Stephen, Montana Association of Counties, had two exceptions to the bill. He felt the process could be streamlined and that the tax process should be able to compute and adjust and leave the refund authority with the county commissioners at the local level. There was discussion regarding wording in Senate Bill 17 and it was decided that since there were to be amendments to it the bill would be discussed later and a decision reached at that time.

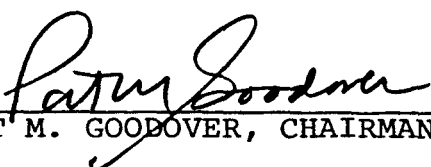
#### CONSIDERATION OF SENATE BILL 19:

Senator Bob Brown, author of SB19, explained that this bill simply makes the law clear and makes it possible for a tax protestor to have his appeal heard more quickly.

Mr. Bob Randall, proponent, said that ordinarily the County Tax Appeals Boards have finished their business by July or August, but with the roll-back tax and vehicle tax appeals that continue all year, the board needs some means that will allow them to meet longer if necessary. There were no opponents of the bill and no further questions from the Committee.

Mr. Randall wondered if an amendment might be in order for Senate Bill 19 regarding increased compensation for members of the Tax Appeals Boards. Present compensation is \$25.00/day, and this rate makes it difficult to get qualified people. He handed out sheets to the Committee explaining what the proposed increase would cost. (Sheet attached). Senator Towe asked the Committee if there was support for drafting a committee bill to take care of Mr. Randall's salary proposal. Senator McCallum didn't think that the Committee was ready, and said it was his understanding that a committee bill could be introduced at a later date.

Senator Bob Brown then moved that the Committee give a do pass recommendation on Senate Bill 19. The motion carried unanimously.

  
PAT M. GOODOVER, CHAIRMAN

ROLL CALL

TAXATION

COMMITTEE

47th LEGISLATIVE SESSION - - 1981

Date Jan 9, 1981

NAME	PRESENT	ABSENT	EXCUSED
Goodover, Pat M., Chairman	✓		
McCallum, George, Vice	✓		
Brown, Bob	✓		
Brown, Steve	✓		
Crippen, Bruce D.	✓		
Eck, Dorothy	✓		
Elliott, Roger H.	✓		
Hager, Tom	✓		
Healy, John E. "Jack"	✓		
Manley, John E.	✓		
Norman, Bill	✓		
Ochsner, J. Donald	✓		
Severson, Elmer D.	✓		
Towe, Thomas E.	✓		

Each day attach to minutes.

DATE Jan. 9, 1981

BILL NO. SB #3,  
17x19

# VISITOR'S REGISTER

NAME	REPRESENTING	Check One	
		Support	Oppose
Doug Campbell	Missoula County Assessor	✓	
Tom Dowlito	Mont. R. L. Assn	✓	✓
John Clark	Dept of Revenue		
Don [unclear]	State Tax Assn BP.	✓	✓
Bob [unclear]	Asst		
Bob [unclear]	State Tax Assn BP.	✓	✓
JOHN A. MERCER	Self		
Mike Stephen	MT Assoc. of Co.	✓	✓
Bill Thurn	Sen		
Charles [unclear]	Self		
Charles [unclear]	Montana Petroleum Association		

(Please leave prepared statement with Secretary)

# STANDING COMMITTEE REPORT

..... *Jan. 9* ..... 19*81* .....

MR. .... **President** .....

We, your committee on .... **Taxation** .....

having had under consideration ..... **Senate** ..... Bill No. **19** .....

Respectfully report as follows: That ..... **Senate** ..... Bill No. **19** .....

DO PASS

*P. M.*

..... **Senator Pat M. Goodover** .....

Chairman.

	No. of Meetings	mandat Paid	Paid Co Board	1980 Inc Cost	1980 Inc Cost			24 14 Attach. #1
BEAVERHEAD	-	-	-	-	-			
BIG HORN	3	7	\$175	\$ 70	\$105			
BLAINE	5	14	350	140	210			
BROADWATER	4	11	275	110	165			
CARBON	7	19	475	190	285			
CARTER	1	3	75	30	45			
CASCADE	20	55	1375	550	825			
CHOTEAU	2	6	150	60	90			
CUSTER	5	10	250	50	150			
DANIELS	3	6	150	60	90			
DAWSON	7	13	325	130	195			
DEER LODGE	12	31	775	310	465			
FALLON	4	12	300	120	180			
FERGUS	8	22	550	220	330			
FLATHEAD	12	36	900	360	540			
GALLATIN	54	201	5025	2010	3015			
GARFIELD	3	7	175	70	105			
GLACIER	4	8	200	80	120			
GOLDEN VALLEY	2	4	100	40	60			
GRANITE	5	14	350	140	210			
HILL	11	33	825	330	495			
JEFFERSON	5	12	300	120	180			
JUDITH BASIN	5	15	375	150	225			
LAKE	7	17	425	170	255			
LEWIS & CLARK	20	56	1400	560	840			
LIBERTY	4	11	275	110	165			
LINCOLN	7	18	450	180	270			
MADISON	7	14	350	140	210			
McCONE	3	9	225	90	135			
MEAGHER	3	7	175	70	105			
MINERAL	4	12	300	120	180			
MISSOULA	67	193	4825	1930	2895			
MUSSELSHELL	-	-	-	-	-			
PARK	10	37	925	370	555			
PETROLEUM	2	4	100	40	60			
PHILLIPS	3	8	200	80	120			
PONDERA	4	12	300	120	180			
POWDER RIVER	3	6	150	60	90			
POWELL	4	10	250	100	150			
PRAIRIE	5	14	350	140	210			
RAVALLI	3	8	200	80	120			
RICHLAND	11	35	875	350	525			
ROOSEVELT	2	6	150	60	90			
ROSEBUD	6	18	450	180	270			
SANDERS	4	12	300	120	180			
SHERIDAN	17	46	1150	460	690			
SILVER BOW	26	67	1675	670	1005			
STILLWATER	5	13	325	130	195			
SWEET GRASS	3	9	225	90	135			
TETON	4	10	250	100	150			
TOOLE	2	5	125	50	75			
TREASURE	4	12	300	120	180			
VALLEY	5	12	300	120	180			
WHEATLAND	-	-	-	-	-			
WIBAUX	3	14	350	140	210			
YELLOWSTONE	19	50	1250	500	750			
449		1284	32100	12840	19260			

## WITNESS STATEMENT

Name Doug Campbell Date 1/9/81  
Address Missoula Mont. Support ? ☒  
Representing Missoula County Assessor Oppose ? ☐  
Which Bill ? SB #3 Amend ? ☐

## Comments:

This bill would clarify the time element  
for accepting new or additions to tax jurisdictions.

Please leave prepared statement with the committee secretary.