

MINUTES OF THE MEETING OF THE HOUSE TAXATION COMMITTEE
January 13, 1983

The meeting was called to order at 8:00 a.m. by Chairman Yardley. Roll call was taken and all committee members were present.

Representative Asay left at 9:00 a.m.

Testimony was heard on HB 56, HB 133, and HB 137. Executive action was taken on HB 19, HB 56, HB 125, HB 133, and HB 137.

HOUSE BILL 137

REPRESENTATIVE HAND, sponsor of HB 137, told committee members he wants to correct a situation of imposing a 1 1/2% sales tax on all new vehicles. He said he would be happy to omit, from HB 137, the language concerning trucks over 10,000 pounds.

REPRESENTATIVE HAND told committee members if a new vehicle is purchased between January 1 and November 1, a straight 1 1/2% sales tax is paid on the vehicle by the purchaser. If a vehicle is bought in November, the sales tax is 11/12ths of the 1 1/2% sales tax and if the vehicle is purchased in December the sales tax is 13/12ths of the 1 1/2% sales tax. House Bill 137 seeks to make the 1 1/2% sales tax on cars and light trucks under 10,000 pounds uniform throughout the year.

There were no other proponents to testify on HB 137.

Opponents

BEN HAVDAHL, representing the Montana Motor Carriers Association, said the problems with HB 137 concerns commercial trucks. A commercial truck purchased during the last quarter of the year would have to pay 100% of the sales tax and then the vehicle is retaxed for the full property tax on the registration of that vehicle in January.

CHARLES GRAVELEY said if HB 137 includes commercial trucks, the trucking industry will be in more trouble than it is now. If HB 137 excludes commercial trucks, Mr. Graveley said he would have no problem with the bill.

REPRESENTATIVE HAND, in closing, again said he would be happy to take commercial trucks out of the bill.

REPRESENTATIVE DEVLIN asked that a fiscal note be requested on HB 137. Chairman Yardley said he would do so.

GERALD F. RAUNIG, representing the Montana Auto Dealers Association, said he was not testifying as a proponent or an opponent to HB 137. He told committee members he doesn't understand what the desired intent of HB 137 is. He said, in talking with the sponsor of the bill, the sponsor's intent is to change the 11/12ths and 13/12ths sales tax problem. Mr. Raunig told the committee that when the staggered registration of vehicles passed six years ago, the county treasurers requested that there be no registration in November or December. Mr. Raunig said HB 137 does not address the staggered registration practice at all. That practice is covered in another part of the law.

CHAIRMAN YARDLEY said this committee is discussing two different types of taxes:

1. Sales tax on new vehicles, which this bill addresses, which if bought in December would be 13/12ths of the 1 1/2% factory list price of the vehicle.
2. Registered license fee which is paid once a year.

MR. RAUNIG said he was confused because he doesn't know what HB 137 will accomplish. He said the only vehicles affected by the staggered registration system are passenger vehicles and light trucks up to 3/4 ton. The portion of the law that HB 137 deals with affects only medium to heavy duty trucks, which are the ones that are prorated with the varying amounts depending on which quarter of the year the vehicle is purchased.

CHAIRMAN YARDLEY asked if HB 137 only applies to trucks. Mr. Raunig said, as far as he can tell, it only applies to trucks. Chairman Yardley said the section of law that HB 137 deals with will be researched so questions raised concerning the bill can be answered.

REPRESENTATIVE HARP asked Representative Hand if he intended to affect only passenger vehicles and not heavy trucks by introducing HB 137. Representative Hand said that was correct. Representative Harp said HB 137 does the opposite of what the sponsor intended.

The hearing was closed on HB 137.

HOUSE BILL 56

REPRESENTATIVE PAVLOVICH, sponsor of HB 56, said HB 56 is a repealer bill; an act to remove the termination date for the applicability of class four property taxation to land and improvements owned by a nonprofit Montana corporation and

used for golfing purposes. He said HB 56 will eliminate the sunset date of January 1, 1983.

Proponents

JOHN FRANKINO, a member of the Board of Directors of the Montana State Golf Association, read a prepared statement to committee members, testifying in favor of HB 56. (See EXHIBIT 1.) Mr. Frankino also passed out copies of a statement of the Butte Country Club which supports and endorses Mr. Frankino's testimony and supports the passage of HB 56.

J.D. LYNCH, Senator from legislative district 44, testified in support of HB 56. Senator Lynch said the reason for the sunset date was so that if the law, concerning the property taxation of golf courses, was abused the 1983 Legislature could take action on changing the law. However, there has been no abuse of the law and now HB 56 seeks to remove the sunset date which was imposed.

DANE GAMBLE, Vice President of the Wyoming-Montana Golf Course Superintendents Association, said golf courses have a high taxable value. If the class four tax provision is eliminated, the tax burden on golf courses will go up as well as the operational costs of those courses. It will be harder to attract new members to the golf course, as well as keep current members, if the price of membership is driven way up as a result of higher operational costs to cover increased taxes.

FRAZER MCDONALD, Executive Director of the Montana State Golf Association, said he concurs with the statement made by Mr. John Frankino.

RANDY WILKE, Bureau Chief of the Real Property Bureau, Department of Revenue, said the department takes no position on HB 56 but told the committee there have been no problems experienced by the department since the enactment of class four property taxation for golf courses.

There were no opponents testifying on HB 56.

REPRESENTATIVE HARRINGTON asked what would happen if the golf courses were put back into the tax classification they were in before they were allowed the class four property taxation classification. Representative Pavlovich said half of the golf courses would be forced to close.

REPRESENTATIVE DOZIER said HB 56 applies only to nonprofit golf courses. The original enactment of this law occurred because the legislature felt nonprofit golf courses were being unfairly taxed.

The hearing on HB 56 was closed.

HOUSE BILL 133

REPRESENTATIVE WILLIAMS, sponsor of HB 133, read a prepared statement to committee members. (See EXHIBIT 3.) He also passed out copies of some amendments to HB 133 which are changes in semantics to make the purpose of HB 133 more clear. (See EXHIBIT 4.)

Proponents

ELLEN FEAVER, Director of the Department of Revenue, said in order for the tax system to work, there needs to be incentives and disincentives to make people pay taxes. There are many occasions where employers fail to file withholding taxes with the state. Therefore, those employers do not give the employee a copy of their W-2 form so that the employer is not incriminated. There is a penalty provision in HB 133 that will encourage employers to comply with the law.

There were no opponents testifying on HB 133.

REPRESENTATIVE KEENAN asked if the Department of Revenue would decide what the reason for noncompliance of the law would be and set penalties accordingly. Ms. Feaver said yes because there are all kinds of reasons for not complying. She said the bill provides a penalty for not complying with the law and that penalty is workable because the amount is reasonable for small employers.

The hearing on HB 133 was closed.

CHAIRMAN YARDLEY brought to the attention of the committee the fact that the Montana Taxpayers Foundation has furnished each member of the committee with a copy of Montana Tax Laws and Montana Property Tax Mill Levies, 1982-83.

REPRESENTATIVE NORDTVEDT made a motion to have the secretary send a letter to the Montana Tax Foundation, thanking them for the materials furnished each committee member.

The motion was voted on and PASSED unanimously.

At this time, Chairman Yardley called the meeting into Executive Session.

EXECUTIVE SESSION

CHAIRMAN YARDLEY had Jim Oppedahl, Legislative Council staff researcher, pass out copies of data he researched on HB 19 and HB 50. (See EXHIBITS 5 and 6.)

JIM OPPEDAHL went over the handouts with the committee.

House Bill 19

REPRESENTATIVE HARP moved HB 19 DO NOT PASS.

REPRESENTATIVE DEVLIN said he thinks the existing law is good because it makes property owners responsible for paying their taxes.

REPRESENTATIVE ZABROCKI said he thinks there should be changes made in the legal descriptions of property, clarifying the description of property so the average taxpayer can identify which property is being sold. Representative Switzer said the only other way the property could be described would be to publish the property owner's name and address which would not be fair to the owner.

REPRESENTATIVE REAM said he likes the part of the bill that says the owner, of the property to be sold, has to be notified of the sale by registered mail or certified letter. Representative Switzer said there is still a problem with serving a certified letter because the letter is delivered to the address of the property to be sold and a lot of times the owner has moved.

The motion of DO NOT PASS was voted on and PASSED with all committee members voting yes except Representative Ream, who voted no.

House Bill 50

REPRESENTATIVE NORDTVEDT, sponsor of HB 50, informed committee members he was going to meet with Dave Lewis, Director of the Office of Budget and Program Planning, and Ellen Feaver, Director of the Department of Revenue, to make sure HB 50 is a bipartisan effort and there are no problems with the bill.

REPRESENTATIVE NORDTVEDT asked if action on HB 50 can be delayed until after his meeting. Chairman Yardley said this committee will pass action on HB 50 for the day.

House Bill 56

REPRESENTATIVE HARP moved HB 56 DO PASS.

The motion was voted on and PASSED with all committee members voting yes except Representatives Nordtvedt and Neuman, who voted no.

House Bill 125

JIM OPPEDAHL passed out copies of three alternative amendments to HB 125. (See EXHIBITS 7, 8 and 9.) The committee members discussed the amendments.

REPRESENTATIVE NORDTVEDT moved ALTERNATIVE AMENDMENT #2 be accepted by this committee.

The motion was voted and PASSED will all committee members voting yes except Representative Dozier, who voted no.

REPRESENTATIVE REAM moved HB 125 DO PASS AS AMENDED.

The motion was voted on and PASSED unanimously.

House Bill 133

REPRESENTATIVE WILLIAMS moved the following amendments to HB 133 be approved by this committee:

1. Page 1, line 15.
Following: "a"
Insert: "wage and tax"
Following: "statement"
Insert: "for each employee"
2. Page 1, line 17.
Following: "to"
Strike: "each"
Insert: "the"

The motion was voted on and PASSED unanimously.

REPRESENTATIVE WILLIAMS moved HB 133 DO PASS AS AMENDED.

REPRESENTATIVE SWITZER said if the severe penalties do not cause the taxpayer to obey the law and the Department of Revenue does not apply the penalty because it is too stiff for small employers, he doesn't see how this bill will be enforced either.

REPRESENTATIVE HARRINGTON said the small penalty will be enforced for everyone rather than the large, stiff penalty.

REPRESENTATIVE REAM suggested making the penalty more than \$20 for noncompliance. He thinks we are going from one extreme to another, from a \$500 penalty to a \$20 penalty.

REPRESENTATIVE WILLIAMS said he thinks HB 133 is a step in the right direction and if the penalty is not high enough the next legislature can raise the amount.


The motion was voted on and PASSED. A roll call vote was taken and all representatives voted yes except the following who voted no: Jacobsen, Switzer, Underdal, Vinger and Zabrocki. Representative Asay was not present during the vote.

House Bill 137

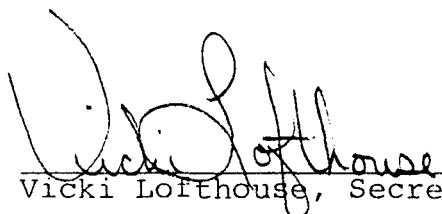
REPRESENTATIVE HARP moved HB 137 DO NOT PASS.

The motion was voted on and PASSED unanimously.

The meeting was adjourned at 10:00 a.m.



DAN YARDLEY, Chairman



Vicki Lofthouse, Secretary

WITNESS STATEMENT

NAME Gary Grayson BILL No. HB-146
ADDRESS 1501 Adams DATE 1/17/83
WHOM DO YOU REPRESENT Revenue
SUPPORT _____ OPPOSE _____ AMEND ~~X~~

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

HB 56

John Frankino
Montana State Golf Association
January 13, 1983

The Montana State Golf Association is a non-profit corporation whose interests and activities are all related to the sport of golf in Montana. Among these functions are coordinating golfing events throughout the state and supervision and promotion of junior golf. The state association also represents the member clubs on issues and items of interest and concern to these local groups. It is in this capacity that I am appearing today.

The Board of Directors of the MSGA has representatives from every district in the state and some of these people were able to make it here today to express their support for HB 56. Representatives of some of the member clubs are also present to show their support. If you have any questions about the Association itself, Fraser Mac Donald our Executive Secretary is present and he will be happy to answer them for you.

I would like to give you a brief background on the purpose and need for this bill. In years past when the property taxation was the primary responsibility of the County Assessors there may have been some inconsistencies in the taxation of property and golf course property would not have been an exception. Following the passage of the new state constitution the Department of Revenue initiated an effort in 1979 to standardize golf course property taxation throughout the state. During the 1979 session, representatives of the State Golf Association and member groups worked with the Department of Revenue and the legislature to find an equitable approach to this question. A mutually agreeable and consistent formula was developed and is presently in place in the tax laws of the state.

The subsection under Class Four Property reads: (e) all golf courses, including land and improvements actually and necessarily used for that purpose, that; (i) consist of at least 9 holes and not less than 3,000 lineal years; and (ii) were

used as a golf course on January 1, 1979, and were owned by a nonprofit Montana corporation. The property described in this subsection is taxed at 4.275%

During the discussions in 1979 several members of the legislature expressed concern about possible abuse of the law by people involved with other than golf course property, thus the law as I just read it was adopted but a repealer was attached. The compiler's comments from the 1979 session noted that the provisions of the subsection relating to golf course property terminates Jan.1, 1983. The purpose of the repealer was to set out a test period to determine if the subsection would work properly - if it did not, then corrective adjustments could be made by the 1983 legislature; if no problems occurred then the subsection could be retained.

We have checked with all of the golf courses subject to the subsection and have found no problems (other than the usual problem we all have with finding the money in our budgets to meet the property tax liability). However our sense is that the courses throughout the state are able to live with the present taxing formula and they ask that it be retained. If however this bill before you is not passed then some insurmountable difficulties for local clubs could result.

Representative Pavlovich has talked with people from the Department of Revenue and they have no problems administering the provisions of the present law. I believe a representative of the Department is here today to underline that fact and answer any questions you might have.

On behalf of the Montana State Golf Association and its member clubs throughout the state I ask that you reinstate the present provisions of the tax law as they relate to golf course property and pass HB 56, which would repeal the repealer now contained in Section 2, Chapter 638, Laws of 1979.

Thank you.

STATEMENT OF BUTTE COUNTRY CLUB

The Butte Country Club located in Butte, Montana, supports and fully endorses the testimony of Mr. John Frankino, urging the Montana State Legislature to enact legislation removing the January 1, 1983, termination date for the applicability of Class 4 property taxation to land and improvements of Montana non-profit corporations which are used for golfing purposes. It is our understanding that this can be achieved by repealing Section 2, Chapter 638, Laws of 1979.

The continuation of Class 4 property taxation is vitally important to the Butte Country Club. The vast majority of its members are wage-earners who rely on the Club to provide recreational, social and related services at dues levels which they can afford. The Club has experienced difficult problems in attempting to maintain its services and, at the same time, break even financially without increasing membership dues to levels which its members cannot afford. Because of general economic conditions and especially because of the economic setbacks which Butte has suffered recently, the problems of the Club certainly will be more difficult than before.

The Butte Country Club's 1982 property tax payment totaled \$19,657.48, of which \$15,613.68 represented property taxes on land and improvements which reflect the Class 4 tax treatment and \$4,043.80 represented taxes related to the Metro System and sewage treatment.

If the January 1, 1983, termination date applying to Class 4 tax treatment is not removed, the land and improvement taxes would double to \$31,227.36. With the Butte Country Club's current financial situation, this level of increase would require substantial increases in dues and charges which almost certainly would result in a significant loss of membership and financial disaster for the Club.

For these reasons, we urge this Committee to report favorably on legislation to remove the existing termination date for the applicability of Class 4 property taxation.

Respectfully,

BUTTE COUNTRY CLUB

By:

Philip W. Raff
Vice President & Director

413-133
Sponsor - William
copy to
T. William
Secretary
COMMENTS ON A BILL TO PROVIDE A PENALTY FOR FAILURE TO FILE
WITHHOLDING RETURNS AND FORMS W-2 .

The purpose of this bill is to provide a specific, appropriate penalty for employers who fail to file withholding returns and W-2 forms as required by law.

In 1980, approximately 2600 employers did not submit wage withholding reports and W-2 forms as required by 15-30-207. Without these reports, it is not possible to reconcile employer quarterly statements to insure that the proper amount of withholding tax has been paid. In addition, if these reports are not filed, it is not possible to cross-check withholding records against the W-2's filed with individual tax returns. The result is a failure to collect income and withholding tax revenues that are properly due.

If an employer fails to provide the state with W-2 forms, it is likely that the employer is also not furnishing employees with their forms. Each year, the Department receives numerous complaints from employees who are unable to get W-2 forms from their employers. Considerable time and expense is incurred in attempting to secure these forms for the employees who request the Department's help.

The bill would encourage the filing of the required returns and W-2 forms by employers through the provision of a specific penalty for failing to file. The penalty would be \$20 for every W-2 and annual withholding return not filed. Thus, if an employer with 10 employees failed to file an annual withholding return and the necessary W-2 forms for each employee, the fine would be \$220. The bill provides authority for abating the penalty for good cause.

The effective operation of the withholding tax system is vital to the state's fiscal condition. The withholding tax is the largest single source of revenue for the state's general fund. In FY 1982, it generated over \$131 million. This bill will help to maintain and improve the effectiveness of the withholding tax system. It will also help employees secure the W-2 forms that they need to file their income tax returns.

House Bill 133 is amended as follows:

1. Page 1, line 15
Following: "a"
Insert: "wage and tax"
2. Page 1, line 15
Following: "statement"
Insert: "for each employee"
3. Page 1, line 17
Following: "to"
Strike: "each"
Insert: "the"

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Montana Legislative Council

State Capitol
Helena, MT. 59620

(406) 449-3064

HOUSE BILL 19

1-13-83

EXHIBIT 5

DIANA S. DOWLING

EXECUTIVE DIRECTOR
CODE COMMISSIONER

ELEANOR ECK

ADMINISTRATIVE ASSISTANT

ROBERTA MOODY

DIRECTOR, LEGISLATIVE SERVICES

ROBERT PERSON

DIRECTOR, RESEARCH

SHAROLE CONNELLY

DIRECTOR, ACCOUNTING DIVISION

ROBERT C. PYFER

DIRECTOR, LEGAL SERVICES

January 12, 1983

TO: Members, House Taxation Committee
FROM: Jim Oppedahl, Staff Researcher
Subject: OUTLINE OF TAX DELINQUENCY AND SALES

The following is a very brief outline of the process under which real property becomes delinquent, tax sales are conducted, and tax deeds are issued and quieted.

TAXES TO BE PAID -- DELINQUENT LIST -- LIENS

All real property taxes levied and assessed in Montana are due and payable in two installments -- the first on or before November 31 and the second on or before May 31 of each year. Taxes not so paid become delinquent and are assessed a 2% penalty and interest at the rate of 5/6th of 1 percent per month. (15-16-101,102)

On the third Monday in December and the third Monday in June each year, the county treasurer prepares a list of all delinquent taxes. This is verified and cross-checked with the county clerk and recorder. (15-16-part 3)

Taxes not paid become a lien against the property until the tax is paid or the property sold. (15-16-part 4)

TAX SALES TO SATISFY DELINQUENCY

On or before the last Monday in June of each year, the county treasurer must publish notice that all property in the county upon which delinquent taxes are a lien will be sold at public auction. Publication of the notice occurs once a week for 3 successive weeks in a newspaper. The notice designates the time and place of the sale -- which must not be less than 21 nor more than 28 days from the first publication. (15-17-101)

Protests against the sale and an opportunity to contest the accuracy of the treasurer's assessments is allowed.
(15-17-112, 113)

The sale is conducted on the day fixed between 10 a.m. and 3 p.m. in front of the county treasurer's office. When bids are received on property sufficient to cover taxes due and costs, the treasurer makes out a certificate of sale that specifies the time when the purchaser will be entitled to a deed.

If no purchasers are forthcoming, the whole amount of the property assessed is "struck off" to the county as the purchaser. (15-17-part 2)

The county is required to assign all of its rights acquired at the sale to any person who pays the delinquent taxes, penalties, costs, and interest assessed against the property. (15-17-303)

All money received by the treasurer from sales is paid into the county treasury and are distributed to the various funds. Any surplus money derived from the sale belongs to the county. ((15-17-302)

REDEMPTION BY THE TRUE OWNER

The owner or any party having an interest in or lien upon a property sold for taxes may redeem the property within 36 months from the date of purchase or at any time prior to the giving of the notice and the application for a deed by paying the delinquent taxes, penalties, costs and interest due. (15-18-101)

APPLICATION FOR TAX DEED -- ISSUING A TAX DEED

At least 60 days prior to the expiration of the time for redemption or at least 60 days before applying for a deed, the purchaser must serve upon the owner of the property purchased, if known, and upon any occupants, mortgagees, or assignees a written notice stating various facts and when the time for redemption will expire or when the purchaser will apply for a tax deed. Notice must be given by registered or certified mail.

If the address of the owner, mortgagee, or assignee is unknown, the applicant for tax deed is required to publish a notice once a week for 2 successive week in a newspaper published in the county wherein the property is located. The first publication must be made at least 60 days before the date of redemption or application for deed.

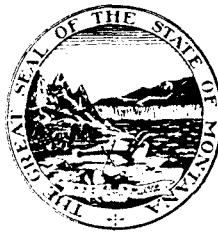
The owner, mortgagee, or assignee has the right of redemption indefinitely, until such notice has been given and the deed applied for. (15-18-202)

QUIET TITLE TO TAX DEED PROPERTY

The purchaser of property may obtain a court order that requires what is known, for convenience, as the true owner to show cause why the amount of all taxes, interest, penalty and costs should not be paid. The order is to be served personally upon all persons shown in the affidavit to be residents of the State of Montana. Notice is also published once in a newspaper and posted in three public places in the county at least 10 days before the date fixed for the hearing. The owner, mortgagee, or assignee is allowed 30 days to respond. If the taxes, penalty, costs and interest are not then paid, the court is authorized to quiet the tax deed title of the purchaser against the true owner.

If the property is not redeemed in the time allowed by law the county treasurer must provide the purchaser a deed of the property. (15-18-201)

DIANA S. DOWLING

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January 12, 1983

TO: Members, House Taxation Committee
 FROM: Jim Oppedahl, Staff Researcher
 SUBJECT: DEDUCTIBILITY OF AD VALOREM TAX ON LIGHT VEHICLES

The Committee asked that research be conducted to determine whether the ad valorem tax on light vehicles under Representative Nordtvedt's bill would be considered deductible under the federal income tax law.

Subtitle A, Ch. 1B, Part VI, [Section 164(a)] of the Internal Revenue Code states in relevant part:

(a) GENERAL RULE.-- Except as otherwise provided in this section, the following taxes shall be allowed as a deduction for the taxable year within which paid or accrued:

- (1) State and local, and foreign, real property taxes.
- (2) State and local personal property taxes.
- (3) etc.....

(b) DEFINITIONS AND SPECIAL RULES.-- For purposes of this section --

(1) PERSONAL PROPERTY TAXES.-- The term "personal property tax" means an ad valorem tax which is imposed on an annual basis in respect of personal property.

In the regulations for itemized deductions the following definitions and special rules appear:

(c) Personal property taxes. The term "personal property tax" means an ad valorem tax which is imposed on an annual basis in respect of personal property. To qualify as a personal property tax, a tax must meet the following three tests:

(1) The tax must be ad valorem -- this is, substantially in proportion to the value of the personal property. A tax which is based on criteria other than value does not qualify as ad valorem. For example, a motor vehicle tax based on weight, model year, and horsepower, or any of these characteristics is not an ad valorem tax. However, a tax which is partly based on value and partly based on other criteria may qualify in part. For example, in the case of a motor vehicle tax of 1 percent of value plus 40 cents per hundredweight, the part of the tax equal to 1 percent of value qualifies as an ad valorem tax and the balance does not qualify.

(2) The tax must be imposed on an annual basis, even if collected more frequently or less frequently.

(3) The tax must be imposed in respect of personal property. A tax may be considered to be imposed in respect of personal property even if in form it is imposed on the exercise of a privilege. Thus, for taxable years beginning after December 31, 1963, State and local taxes on the registration or licensing of highway motor vehicles are not deductible as personal property taxes unless and to the extent that the tests prescribed in this subparagraph are met. For example, an annual ad valorem tax qualifies as a personal property tax although it is denominated a registration fee imposed for the privilege of registering motor vehicles or of using them on the highways. (emphasis added)

The source of the above information was the 1981 Commerce Clearing House Federal Income Tax Regulations. I also called Mr. Rogers, a field agent for the IRS at the Helena office. Mr. Rogers told me that the Internal Revenue Code has not changed from that quoted above and that the regulations are also the same. Mr. Rogers opinion was that the provisions of H.B. 50, as described to him, would meet the criteria of the federal government for deductibility on federal income taxes.

I asked him if it would be possible to have such an opinion in writing. He said that if it were needed in writing the question would have to be referred to the regional office requesting a written opinion. Regional official would then decide whether to refer the question to Washington, D.C.

If the Committee thinks it is important to have the issue resolved in writing, the Committee may wish to contact the Congressional delegation for help in expediting an opinion from the IRS.

Alternative 1

House Bill 125 be amended as follows:

1. Page 2, line 13
Following: "apply"
Insert: "when the taxpayers file separately on the same
form"
2. Page 2
Following line 13
Insert: (c) The deduction for child and dependent care
expenses shall be allocated in the same ratio
as their Montana Adjusted Gross income appears.

Alternative 2

House Bill 125 be amended as follows:

1. Page 1, Line 13
Following: "apply"
Insert: "when the taxpayers file separately on the same
form"
2. Page 2
Following Line 13
Insert: (c) The deduction for child and dependent care
expenses shall be divided equally between the tax-
payers.

Alternative 3

House Bill 125 be amended as follows:

1. Page 1, Line 13
Following: "apply"
Insert: "when the taxpayers file separately on the same
form"

2. Page 2
Following Line 13
Insert: (c) The deduction for child and dependent care
expenses may be divided in any manner at the dis-
cretion of the taxpayers

HOUSE 137 Taxation COMMITTEE

DATE 1-13-83

DATE 1-13-83

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITOR'S REGISTER

HOUSE

COMMITTEE

BILL

DATE 1/13/83

SPONSOR

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITOR'S REGISTER

HOUSE 133 Taxation COMMITTEE

BILL 133 DATE 1/13/83

SPONSOR Williams

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

STANDING COMMITTEE REPORT

January 13, 1983

MR. SPEAKER:

We, your committee on TAXATION

having had under consideration HOUSE Bill No. 56

First reading copy (White)
(Color)

A BILL FOR AN ACT ENTITLED: "AN ACT TO REMOVE THE TERMINATION DATE FOR THE APPLICABILITY OF CLASS FOUR PROPERTY TAXATION TO LAND AND IMPROVEMENTS OWNED BY A NONPROFIT MONTANA CORPORATION AND USED FOR GOLFING PURPOSES; REPEALING SECTION 2, CHAPTER 638, LAWS OF 1979; PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

Respectfully report as follows: That HOUSE Bill No. 56

DO PASS

STANDING COMMITTEE REPORT

January 13, 1963

MR. SPEAKER:

TAXATION

We, your committee on

having had under consideration HOUSE Bill No. 133

First reading copy (White)
Color

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE IMPOSITION OF A PENALTY FOR FAILURE TO FILE WITHHOLDING RETURNS AND FORMS W-2 AS REQUIRED BY STATUTE; AMENDING SECTION 15-30-207, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY CLAUSE."

Respectfully report as follows: That HOUSE Bill No. 133
be amended as follows:

1. Page 1, line 15.
Following: "a"
Insert: "wage and tax"
Following: "statement"
Insert: "for each employee"

2. Page 1, line 17.
Following: "to"
Strike: "each"
Insert: "the"

AND AS AMENDED

DO PASS

STANDING COMMITTEE REPORT

January 13, 19 63

MR. SPEAKER:

We, your committee on TAXATION

having had under consideration HOUSE Bill No. 137

First reading copy White
Color

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT THE 1 1/2 PERCENT SALES TAX ON NEW MOTOR VEHICLES APPLIES REGARDLESS OF THE QUARTER OF THE YEAR IN WHICH THE VEHICLE IS PURCHASED; AMENDING SECTION 61-3-502, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE."

Respectfully report as follows: That HOUSE Bill No. 137

~~DO PASS~~ DO NOT PASS