

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

January 25, 1983

The eleventh meeting of the Taxation Committee was called to order at 8:30 a.m. by Chairman Pat M. Goodover in Room 415 of the Capitol Building.

ROLL CALL: All members were present. (Three members arrived late after the vote was taken on the committee bill of Senator Gage's, so the number of votes for that are less for that than for other matters taken up during the meeting.)

DISCUSSION RE PROPOSED COMMITTEE BILL RE SEVERANCE TAX AND NET PROCEEDS TAX ON OIL AND GAS (CONTINUED): Senator Gage submitted two tables projecting what the effect of the program would be in comparison to what they had from 1979 to 1982. He said the 1981 rate activity was nearly doubled in the years 1979, 1980 and 1982, and wondered if 1981 would distort the projections for the future under the old law as compared to the new law. At the January 20 meeting, Senator Towe said the price of oil and gas will take care of stimulating the activity. Price has nothing to do with the economic factor because the surrounding states get the same increase. They won't drill in other states based on comparison of the rate of return in Montana and the rate of return in other states. In determination of which states can expect greater return, Montana is 13th from the top. All we could do would be to reappraise the drilling programs in relation to what the benefits might be. We need to decide if this will place Montana in a better competitive position economically with other states to lure investment funds into Montana. (Tables attached as Exhibit A)

Questions were called for from the committee.

Senator Crippen asked if the proposed bill would be more of an incentive to drill if oil were, say, \$25 a barrel than if it were \$33 a barrel, and whether anyone would be drilling when oil reached that price. He also mentioned that Utah is contemplating tripling its coal severance tax.

Senator Gage stated that our peak production year was 1978. This bill, he said, would not do anything with 1982 production. It would still tax 1982 oil the same. The incentive in the bill would be to give those who are producing new oil more incentive to drill wells to still the natural decline we now have. This will place the state of Montana in a more competitive economic situation with other states that are trying to entice drilling activity into their states. Will drilling that has been going on continue to be maintained or will additional drilling be brought in? He felt the committee should address this question.

Senator Crippen moved that the taxation committee draft and introduce a committee bill dealing with this. The motion was seconded. Senator Goodover stated that at least 3/4 of the committee must consent to the introduction of a committee bill (in this case, 12 members) (Joint Rule 6-9). Upon a vote taken, the motion failed, with Senators Lynch and Norman voting no. (Twelve members were present at the time the vote was taken and two voted no.)

More discussion on the subject followed, and Senator Norman then told Senator Crippen that he had no objection to having a bill drawn, drafted and introduced. A motion was made to have the Legislative Council draft a bill for consideration by this committee. The motion was seconded and passed unanimously. Cort Harrington and Senator Gage will work on getting the bill drafted.

CONSIDERATION OF HOUSE BILL 81: Representative Nordtvedt, House District 77, the sponsor of the bill, said that if individuals and corporations don't pay taxes on time, they must pay interest, but there is no interest penalty for non-payment of resource taxes. This bill provides that interest on deficiency assessments of tax and interest on overpayments is to be calculated and timely paid.

PROPOSERS

There were no proposers other than the sponsor.

OPPOSERS

There were no opposers to HB 81.

Questions were called for from the committee.

Dan Bucks from the Department of Revenue was present to answer questions. He stated that this bill would provide an incentive for reporting taxes properly and timely.

Senator Turnage moved that HB 81 BE CONCURRED IN. The motion was seconded and unanimously passed.

CONSIDERATION OF SENATE BILL 72 (CONTINUED): Cort Harrington stated that the original bill provided that taxes would be paid on a quarterly basis, but the committee is amending it to file the statements quarterly and pay the tax annually. The statements of gross yield are due to the Department of Revenue 60 days following the ends of the calendar quarters (p. 3, l. 14-15, grey bill); taxes imposed are to be paid on or before March 31, or approximately 90 days following the end of the calendar year (p. 4, l. 10-12, 21-25, grey bill). Cort Suggested that the committee might want to make an amendment so the tax can be paid at the same time the statement (for the last quarter) is filed. Proposed SB 72 amendments and grey bill are attached as Exhibits B and C.

The committee discussed the 10% penalty to be assessed under these amendments (p. 6, l. 9-10, grey bill). Senator Gage remarked that really, we are not doing a thing to the taxpayer under this bill, just adding paperwork in filing four quarterly statements instead of one annual statement, so the Department of Revenue can correlate resource indemnity trust taxes and other natural resource taxes so they can enter in computers. He agreed with Senator Crippen that the penalty was high.

Dan Bucks stated that the Department of Revenue envisions a form with separate sections for reporting the different resource taxes.

Senator Turnage said that if no penalty existed, there would be no incentive to file the statements. Mr. Bucks felt a nominal penalty would be better than no penalty. He said they relied on the 10% figure because that is the penalty for failure to file an annual statement.

Senator Eck noted that the penalty could be waived by the Department of Revenue if reasonable cause existed for failure and neglect to file the statement (p. 7, l. 3-6, grey bill).

Mr. Bucks stated that HB 81 applies to interest assessed on taxes, rather than failure to file the statements (as set out in SB 72).

Senator Crippen was opposed to adding a 10% penalty for failure to pay as set out in the grey bill (p. 6, l. 18).

To clarify the difference between HB 81 and SB 72, Mr. Bucks said that HB 81 clarifies that there is an interest charge of 1% a month on any underpayment of the taxes covered by the bill, including underpayment of the resource indemnity trust tax, and is consistent with the 1% a month interest charged under current law if one fails to pay when due. In HB 81, the 1% would apply to cases where the taxpayer (1) paid too little or (2) failed to pay entirely.

Senator Crippen agreed with the filing, but thought the penalty should be removed. He felt every quarter, a nonfiler would be faced with a 10% penalty, and he asked if that could be lowered. Senator Lynch asked if any of the laws had penalties that high. Mr. Bucks said that the Department of Revenue is not concerned with the amount of penalty on the quarterly statements. Senator Crippen suggested a penalty of 2% for failure to file and 2% for failure to pay. Senator Elliott thought a flat rate penalty for failure to file would be easier for a taxpayer. The idea of the Department of Revenue having to compute the taxes and then having to compute the penalty on top of that is hard to accept, he said. He suggested a flat rate of \$25 or \$50 with a maximum penalty, perhaps, of \$50 or whatever was decided to be appropriate.

Senator Lynch preferred a percentage penalty because the Department of Revenue wouldn't have to come back in a few years to raise or lower the penalty.

Senator Eck asked if SB 72 was a part of the severance tax reporting and if there was a penalty on not filing severance tax reports. Cort Harrington stated that section 15-35-105, MCA, requires quarterly reporting on coal severance taxes and has a 10% penalty for failure to file and pay.

Mr. Bucks said this is a different situation with quarterly filing and annual payment of tax. He requested more time to review the grey bill, especially in relation to other statutes, and would then like to come back before the committee on this.

Consideration on SB 72 was delayed and will be continued at a later meeting.

CONSIDERATION AND DISPOSITION OF SENATE BILL 96: Senator Lynch moved that the committee adopt Senator Towe's proposed amendments to SB 96. He didn't think the bill was necessary at all, but felt the committee would be in error to pass a bill that has only a 50/50 chance of even being constitutional (referring to Senator Elliott's proposed amendments of the bill).

Senator Crippen asked Senator Towe if he was objecting to the statement in Senator Elliott's "New Section, Section 3" which says funds are available "for appropriation" but not "shall be appropriated." Senator Towe said he was objecting to the automatic deposit of funds without appropriation. And then to attempt to satisfy the constitutional provisions, Senator Elliott picks up the last section on nonseverability. Also, Senator Elliott's version does not allow for the tracer Senator Towe wanted. If we go beyond that, he said, it is unconstitutional. Senator Elliott's version abolishes subfund C (the income subfund) of the coal severance tax fund.

Senator Elliott stated that Jim Oppedahl had helped him with the amendments drawn and that they are sufficient from an accounting sense. The phrase "for appropriation" is permissive and there is no obligation on the legislature. It follows that it is going to be appropriated.

Senator Elliott made a substitute motion for the adoption of his amendments. The motion was seconded.

Senator Mazurek admitted that he didn't like either set of amendments. He felt Senator Towe's version covered the constitutional problem, but it would bind future legislatures. Senator Elliott's version is not constitutional.

Senator Elliott pointed out that the state receives income taxes and corporation license and income taxes. That income is allocated between the earmarked revenue fund for state equalization aid to public schools, the payment of long-range building program bonds, and the general fund (15-1-501, MCA). And what we are doing now is allocating, he said.

A roll call vote on the substitute motion to adopt Senator Elliott's amendments is attached as Exhibit D to these minutes. The motion passed 8-7.

Senator Elliott then moved that SB 96 as amended DO PASS. The motion was seconded, and a roll call vote was taken and is attached as Exhibit E. The motion passed 9-6.

DISPOSITION OF SENATE BILL 110: Senator Towe moved to strike "improperly" and insert "incorrectly" following "has" on page 2, line 19 in SB 110. The motion was seconded and passed unanimously.

Senator Towe then moved the following amendments to SB 110:

1. Title, page 1, lines 7 & 8.

Strike: "AMENDING SECTIONS 15-23-507 AND 15-23-804, MCA."

2. Page 1, line 11 through page 2, line 17.

Strike: "Section 1 and 2."

3. Page 2, line 18.

Following: Section

Strike: "3"

Insert: "1"

4. Page 2, line 23.

Following: thereto,

Insert: ", UNTIL PAID IN FULL,"

5. Page 2, line 25.

Following: payable.

Insert: "IN NO INSTANCE WILL A TAXPAYER SUBJECT TO IMPOSITION OF INTEREST PURSUANT TO THIS SECTION, BE ALSO SUBJECT TO THE PENALTY AND INTEREST PROVISIONS CONTAINED IN 15-16-102."

6. Page 3, line 1.

Following: Section

Strike: "4"

Insert: "2"

The motion was seconded.

Senator Turnage stated that some of the county treasurers felt sections 1 and 2 of SB 110 should be deleted because situations still exist where interest and penalty are assessed based on those sections, but they agreed to the addition of the third section adding interest for incorrectly reported values. There is no duplication of penalties and interest.

Further information was submitted by the Department of Revenue indicating that some treasurers in Montana counties refused to assess and collect penalties and interest on the taxes assessed under Title 15, Chapter 23. See Exhibit F.

The vote on the amendments passed 14-1 (Senator Crippen voted no).

Senator Towe then moved that SB 100 DO PASS AS AMENDED. The motion was seconded. The amended motion passed 14-1 (Senator Crippen voted no).

The meeting adjourned at 10 a.m.


Chairman

ROLL CALL

SENATE TAXATION

COMMITTEE

48th LEGISLATIVE SESSION -- 1983

Date 1/25 /83

NAME	PRESENT	ABSENT	EXCUSED
SENATOR GOODOVER, CHAIRMAN	✓		
SENATOR McCALLUM, VICE CHAIRMAN	✓		
SENATOR BROWN	✓ <i>9 am</i>		
SENATOR CRIPPEN	✓		
SENATOR ELLIOTT	✓ <i>late</i>		
SENATOR GAGE	✓		
SENATOR TURNAGE	✓		
SENATOR SEVERSON	✓		
SENATOR HAGER	✓		
SENATOR ECK	✓		
SENATOR HALLIGAN	✓		
SENATOR LYNCH	✓ <i>late</i>		
SENATOR NORMAN	✓		
SENATOR TOWE	✓ <i>9:30</i>		
SENATOR MAZUREK	✓		

COMMITTEE ON TAXATION

VISITORS' REGISTER

NAME (PLEASE PRINT)	REPRESENTING	BILL #	Check One	
			Support	Oppose
<i>Ann Mulrooney</i>	<i>League of Women Voters</i>			
<i>Don Burke</i>	<i>Dept. of Revenue</i>			

(Please leave prepared statement with Secretary)

TABLE I
SEVERANCE TAX

Assumptions: \$32/bbl. in all years.
 Severance Tax = 6%.

ASSUMING 58% REDUCTION IN
 CY 81-82 NEW OIL
 (58% IS DECREASE IN
 AVERAGE RIGS DRILLING
 81 TO 82)

<u>FY</u>	<u>TAX UNDER CURRENT LAW</u>	<u>TAX UNDER PROPOSED LAW</u>
	<u>MILLIONS</u>	<u>MILLIONS</u>
1983		
1984	\$56.937	\$54.456
1985	57.341	53.695
1986	58.339	53.157
1987	59.247	52.608
1988	60.069	52.055
1989	60.799	55.716
1990	61.436	55.747
1991	61.983	55.730
1992	62.438	55.653
1993	62.801	55.536
1994	62.206	62.206

TERESA 4:N/5

TABLE II
NET PROCEEDS TAX

Assumptions: 123 Average Mill Levy
\$32/bbl. in all years
Ratio of Net/Gross is 52%
Production From Prior Year Is Taxed

<u>FY</u>	<u>TAX UNDER CURRENT LAW</u>	<u>TAX UNDER PROPOSED LAW</u>
	<u>MILLIONS</u>	<u>MILLIONS</u>
1984	\$60.49	\$59.57
1985	60.70	58.05
1986	61.125	57.24
1987	62.190	56.66
1988	63.158	56.08
1989	64.033	59.302
1990	64.811	59.394
1991	65.491	59.43
1992	66.074	59.41
1993	66.559	59.33
1994	66.95	66.95

TERESA 4:N/6

Amend SB 72 as follows:

1. Title, page 1, line 5.

Following: "AN ACT TO"

Strike: "CHANGE"

Insert: "REQUIRE A QUARTERLY REPORT OF GROSS YIELD FOR PURPOSES
OF"

2. Page 1, line 11 through page 2, line 23.

Strike: sections 1 and 2.

Renumber: subsequent sections.

3. Page 3.

Following: line 4

Insert: "quarterly"

4. Page 3, line 7 through line 8.

Following: "quarter"

Strike: "for which the statement is made and the value thereof"

5. Page 4, line 7.

Following: "Payment"

Strike: "Quarterly payment"

Insert: "Payment"

6. Page 4, lines 14 through 19.

Following: "department"

Strike through line 19.

Insert: ", on or before March 31, on the value of product in
the year preceding January 1 of the year in which the tax is
paid. The tax shall be paid to the department at the time the
statement of yield for the last calendar quarter is filed with
the department."

7. Page 5.

Following: line 1

Insert: "four quarterly"

8. Page 5, line 4 through line 6.

Following: "the taxpayer"

Strike: "make the statement for the year quarter for which the
statement is filed."

9. Page 5, line 12.

Following: "years"

Strike: "quarters"

Insert: "years"

10. Page 5.

Following: line 21

Strike: "total gross value of product"

Insert: "gross yield of the mineral"

11. Page 5, line 24.
Following: "in which the"
Strike: "tax is to be paid"
Insert: "statement is to be filed"

12. Page 5, line 25.
Following: "tax"
Insert: "that would be"
Following: "state"
Insert: "if the tax were paid on a quarterly basis"

13. Page 6, line 2.
Following: "10%"
Strike: "thereof"
Insert: ". (2) If any person fails, refuses, or neglects to pay the tax when due, the department shall immediately determine, as nearly as may be possible from any information which the department may be able to obtain, the total gross value of product of the person from the business during the year for which the tax is due and shall fix the amount of tax due to the state and shall add to the amount a penalty of 10%"
Renumber: subsequent subsections.

14. Page 6, line 7.
Following: "person"
Strike: "required"
Insert: "failing"

15. Page 6, line 8.
Following: "statement"
Strike: "and"
Insert: "or"

16. Page 6, line 16 through page 7, line 8.
Strike: section 6.
Renumber: subsequent sections.

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SENATE BILL NO. 72

INTRODUCED BY B. BROWN

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE REQUIRE A
QUARTERLY REPORT OF GROSS YIELD FOR PURPOSES OF THE RESOURCE
INDEMNITY TRUST TAX FROM A YEARLY TAX TO A QUARTERLY TAX;
AMENDING SECTIONS 15-38-103 THROUGH 15-38-107 AND 15-38-202,
MCA; AND PROVIDING AN APPLICABILITY DATE."

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

~~Section 15-38-103, MCA, is amended to read:~~

~~15-38-103. Definitions. As used in this chapter, the~~

~~following definitions apply:~~

~~(1) "Department" means department of revenues~~

~~(2) "Gross value of product" means the market value of~~

~~any merchantable mineral extracted or produced during the~~

~~taxable year quarter.~~

~~(3) "Mineral" means any precious stones or gems, gold,~~

~~silver, copper, coal, lead, petroleum, natural gas, oil,~~

~~uranium, or other nonrenewable merchantable products~~

~~extracted from the surface or subsurface of the state of~~

~~Montana.~~

~~(4) "Total environment" means air, water, soil, flora,~~

~~and fauna and the social, economic, and cultural conditions~~

1 that influence communities and individual citizens."

2 Section 2. Section 15-38-104, MCA, is amended to read:
 3 "15-38-104. Tax on mineral production. The annual tax
 4 to be paid by the person engaged in or carrying on the
 5 business of mining, extracting or producing a mineral shall
 6 be \$25, together with an additional sum or amount computed
 7 on the gross value of product which may have been derived
 8 from the business work or operation within this state during
 9 the calendar year immediately preceding quarter at the rate
 10 of 1/2 of 1% of the amount of gross value of product at the
 11 time of extraction from the grounds, if in excess of an
 12 annual exemption of \$5,000. The minimum tax of \$25 must be
 13 paid once each calendar year, and such payment must be made
 14 with the return for the quarter ending March 31. The \$5,000
 15 exemption of the gross value of product may be claimed on a
 16 return for any quarter during a single calendar year, and
 17 any unused portion of the exemption may be claimed on a
 18 return for another quarter or quarters in the same calendar
 19 year. No more than \$5,000 of gross value may be exempted
 20 from taxation in a calendar year. Unless otherwise provided
 21 in a contract or lease, the pro-rata share of any royalty
 22 owner or owners may be deducted from any settlements under
 23 the lease or leases or division of proceeds orders or other
 24 contracts."

25 Section 1. Section 15-38-105, MCA, is amended to read:

1 "15-38-105. Report of gross yield from mines. A person
2 who engages in or carries, on the business of mining,
3 extracting, or producing a mineral from any quartz vein or
4 lode, placer claim, dump or tailings, or other place or
5 source shall ~~on or before March 31 of each year~~ make out a
6 QUARTERLY statement of gross yield of the mineral from each
7 mine owned or worked by that person during the year
8 ~~preceeding January 1 of the year in~~ quarter for which--the
9 ~~statement--is made and the value thereof.~~ This form shall be
10 in the form prescribed by the department and shall be signed
11 by the person or the manager, superintendent, agent,
12 president, or vice-president of the corporation,
13 association, or partnership, if any, and shall be delivered
14 to the department on or before ~~March--31~~ the 60th day
15 following the end of the calendar quarter. The statement
16 shall show the following:

17 (1) the name and address of the owner or lessee or
18 operator of the mine;

19 (2) the description and location of the mine;

20 (3) the quantity of minerals extracted, produced, and
21 treated or sold from the mine during the period covered by
22 the statement;

23 (4) the amount and character of the mineral and the
24 total yield of the mineral from the mine in constituents of
25 commercial value; that is to say, the number of ounces of

1 gold or silver, pounds of copper or lead, tons of coal,
 2 barrels of petroleum or other crude or mineral oil, cubic
 3 feet of natural gas, or other commercially valuable
 4 constituents of the ores or mineral products or deposits
 5 yielded to the person engaged in mining measured by standard
 6 units of measurement;

7 (5) the gross yield or value in dollars and cents."

8 Section 2. Section 15-38-106, MCA, is amended to read:

9 "15-38-106. Payment ~~Quarterly--payment~~ PAYMENT of tax
 10 -- records -- collection of taxes -- refunds. (1) The tax
 11 imposed by this chapter shall be paid by each person to
 12 which the tax applies ~~on or before March 31, on the value~~
 13 ~~of product in the year preceding January 1 of the year in~~
 14 ~~which the tax is paid. The tax shall be paid to the~~
 15 ~~department at the time that the statement of yield is filed~~
 16 ~~with the department in quarterly installments for the~~
 17 ~~quarterly periods ending, respectively, March 31, June 30,~~
 18 ~~September 30, and December 31 of each year, and the amount~~
 19 ~~of tax for each quarterly period must be paid to the~~
 20 ~~department of revenue within 60 days after the end of each~~
 21 ~~quarterly period.~~ ON OR BEFORE MARCH 31, ON THE VALUE OF
 22 PRODUCT IN THE YEAR PRECEDING JANUARY 1 OF THE YEAR IN WHICH
 23 THE TAX IS PAID. THE TAX SHALL BE PAID TO THE DEPARTMENT AT
 24 THE TIME THE STATEMENT OF YIELD FOR THE LAST CALENDAR
 25 QUARTER IS FILED WITH THE DEPARTMENT.

1 (2) The department shall deposit the proceeds of the
2 tax in the resource indemnity trust account of the trust and
3 legacy fund. Every person to whom the tax applies shall keep
4 records in accordance with 15-38-105, and the records are
5 subject to inspection by the department upon reasonable
6 notice during normal business hours.

7 (3) The department shall examine each of the FOUR
8 QUARTERLY statements and compute the taxes thereon, and the
9 amount computed by the department shall be the taxes
10 imposed, assessed against, and payable by the taxpayer
11 ~~making the statement for the year~~ quarter ~~for which the~~
12 ~~statement is filed.~~ If the tax found to be due is greater
13 than the amount paid, the excess shall be paid by the
14 taxpayer to the department within 30 days after written
15 notice of the amount of deficiency is mailed by the
16 department to the taxpayer. If the tax imposed is less than
17 the amount paid, the difference must be applied as a tax
18 credit against tax liability for subsequent ~~years~~ quarters
19 YEARS or refunded if requested by the taxpayer."

20 Section 3. Section 15-38-107, MCA, is amended to read:

21 "15-38-107. Procedure in case of failure to file
22 statement. (1) If any person fails, refuses, or neglects to
23 make and file a statement and return it within the time
24 prescribed, the department shall immediately after such time
25 has expired determine, as nearly as may be possible from any

1 returns or reports filed with the state or from any other
 2 information which the department may be able to obtain, the
 3 ~~total-gross-value-of-product~~ GROSS YIELD OF THE MINERAL of
 4 such person from such business during the calendar year
 5 quarter immediately preceding the year quarter in which the
 6 ~~tax-is-to-be-paid~~ STATEMENT IS TO BE FILED and shall fix the
 7 amount of the tax THAT WOULD BE due to the state IF THE TAX
 8 WERE PAID ON A QUARTERLY BASIS from such person for such
 9 calendar year quarter and shall add to the amount of such
 10 tax a penalty of 10% thereof.

11 (2) IF ANY PERSON FAILS, REFUSES, OR NEGLECTS TO PAY
 12 THE TAX WHEN DUE, THE DEPARTMENT SHALL IMMEDIATELY
 13 DETERMINE, AS NEARLY AS MAY BE POSSIBLE FROM ANY INFORMATION
 14 WHICH THE DEPARTMENT MAY BE ABLE TO OBTAIN, THE TOTAL GROSS
 15 VALUE OF PRODUCT OF THE PERSON FROM THE BUSINESS DURING THE
 16 YEAR FOR WHICH THE TAX IS DUE AND SHALL FIX THE AMOUNT OF
 17 TAX DUE TO THE STATE AND SHALL ADD TO THE AMOUNT A PENALTY
 18 OF 10% plus interest at the rate of 1% a month or fraction
 19 thereof computed on the total amount of tax and penalty.
 20 Interest shall be computed from the date the tax was due to
 21 the date of payment.

22 ~~(2)~~(3) The department shall mail to the person
 23 required FAILING to file an-annual a quarterly statement and
 24 OR pay any tax a letter setting forth the amount of tax,
 25 penalty, and interest due. The letter shall advise that if

1 payment is not received, a warrant for distraint may be
2 filed.

3 ~~(3)~~(4) The 10% penalty may be waived by the department
4 if reasonable cause for the failure and neglect to file the
5 statement required by 15-38-105 is provided to the
6 department."

7 ~~Section 6. Section 15-38-202, MCA, is amended to read:~~
8 ~~"15-38-202. Investment of resource indemnity trust~~
9 ~~account expenditure minimum balances. (1) All moneys~~
10 ~~paid into the resource indemnity trust account shall be~~
11 ~~invested at the discretion of the board of investments. All~~
12 ~~the net earnings accruing to the resource indemnity trust~~
13 ~~account shall annually quarterly be added thereto until it~~
14 ~~has reached the sum of \$10 million. Thereafter, only the~~
15 ~~net earnings may be appropriated and expended until the~~
16 ~~account reaches \$100 million. Thereafter, all net earnings~~
17 ~~and all receipts shall be appropriated by the legislature~~
18 ~~and expended, provided that the balance in the account may~~
19 ~~never be less than \$100 million.~~

20 ~~(2) Beginning in fiscal year 1982, provided the amount~~
21 ~~in the resource trust account is greater than \$10 million,~~
22 ~~30% of the interest income of the resource indemnity trust~~
23 ~~account must be allocated to the water development earmarked~~
24 ~~account created by 85-1-604."~~

25 NEW SECTION. Section 4. Applicability. This act is

- 1 applicable to taxable years beginning after December 31,
- 2 1983.

-End-

ROLL CALL VOTE

Exhibit D

SENATE COMMITTEE TAXATION

Date Jan. 25, 1983 Senate Bill No. 96 Time 9:50 a.m.

NAME	YES	NO
SENATOR GOODOVER, CHAIRMAN	✓	
SENATOR McCALLUM, VICE CHAIRMAN	✓	
SENATOR BROWN	✓	
SENATOR CRIPPEN	✓	
SENATOR ELLIOTT	✓	
SENATOR GAGE		✓
SENATOR TURNAGE	✓	
SENATOR SEVERSON	✓	
SENATOR HAGER	✓	
SENATOR ECK		✓
SENATOR HALLIGAN		✓
SENATOR LYNCH		✓
SENATOR NORMAN		✓
SENATOR TOWE		✓
SENATOR MAZUREK		✓

Secretary: Barbara J. Effing Chairman: Pat M. Goodover
 Motion: *Substitute motion to adopt*

596
*amendments to bill (SB96), which amend-
 ments are designated LC 0104/01 and are attached
 to the Jan 24, 1983 minutes as Exhibit E.*

(include enough information on motion—put with yellow copy of committee report.)

ROLL CALL VOTE

Exhibit E

SENATE COMMITTEE TAXATION

Date Jan. 25 , 1983 Senate Bill No. 96 Time 9:50 a.m.

NAME	YES	NO
SENATOR GOODOVER, CHAIRMAN	✓	
SENATOR McCALLUM, VICE CHAIRMAN	✓	
SENATOR BROWN	✓	
SENATOR CRIPPEN	✓	
SENATOR ELLIOTT	✓	
SENATOR GAGE		✓
SENATOR TURNAGE	✓	
SENATOR SEVERSON	✓	
SENATOR HAGER	✓	
SENATOR ECK		✓
SENATOR HALLIGAN		✓
SENATOR LYNCH		✓
SENATOR NORMAN	✓	
SENATOR TOWE		✓
SENATOR MAZUREK		✓

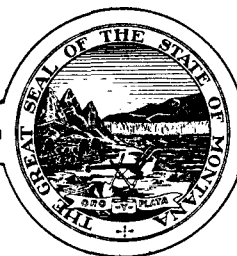
Secretary: Barbara J. Effing Chairman: Pat M. Goodover

Motion: Motion to give
amended bill (SB96) a DO PASS AS AMENDED
recommendation.

SB96

(include enough information on motion—put with yellow copy of committee report.)

TED SCHWINDEN, GOVERNOR



STATE OF MONTANA

HELENA, MONTANA 59620

January 21, 1983

MEMORADUM

TO: Senator Pat Goodover
Senate Taxation Committee

FROM: *JF* Jerry Foster, Administrator
Natural Resource & Corporation Tax Division

SUBJECT: Additional information regarding SB 110

During the Committee hearing on SB 110 Senator Turnage requested that this Department provide additional information as to which counties assessed interest on assessments of additional proceeds taxes under the present statutes. Please find information attached.

As you can see from reviewing this data, there are only a few instances where interest is assessed. The penalty that is assessed is the result of late filed returns and is pursuant to Section 15-23-104, Montana Code Annotated, not a result of a treasurer properly administering 15-16-102, Montana Code Annotated.

An additional point that was not brought out clearly at the hearing is that these taxes are essentially "self-assessing". The value the tax is computed upon is based upon a return that is prepared and submitted by the taxpayer.

Attachment

DEPARTMENT OF REVENUE



THE GREAT SOUTHERN GOVERNOR

MITCHELL BUILDING

STATE OF MONTANA

DEPARTMENT OF REVENUE

RECEIVED

January 21, 1982

JAN 28 1982

DEPARTMENT OF REVENUE
PROPERTY ASSESSMENT DIVISION

Mr. George S. Askin
Carter County Assessor
Carter County Courthouse
Ekalaka, MT 59324

Dear George:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1977, 1978 and 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the mill levy used, the additional tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
.15649	\$1365.07	none	none
.18907	\$1659.09	"	" "
.18334	\$1925.08	"	"
	<u>\$4949.24</u>		

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Yours truly,

Don Hoffman, Chief
Inter-County property Bureau
Property Assessment Division

Enclosure
DH:kcJ

RECEIVED

JAN 10 1983

STATE DEPARTMENT
OF REVENUE

December 29, 1982

Patricia Terland
Stillwater County Assessor
Columbus, MT 59019

Dear Patricia:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1977, 1978 & 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the Mill levy used, the additional tax computed, and the interest and penalty assessed:

	<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
78 32-0 30-12	167.24 146.95	\$ 15,002.68		
79 32-0 30-12	181.83 161.15	\$ 10,996.49		
80 32-0 30-12	203.34 166.20	\$ 15,555.83		

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Very truly yours,

DEPARTMENT OF REVENUE

Don Hoffman

Don R. Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

Enclosure

Our Treasurer will not add penalty + interest
te J. Hoffman
1/17/83

DEPARTMENT OF REVENUE

RECEIVED

Nov 12 '82



THE GREAT SEAL OF THE STATE OF MONTANA

STATE OF MONTANA

MONTANA DEPARTMENT OF REVENUE

RECEIVED

November 8, 1982

NOV 9 1982

ASST. COM. OFFICE
ROOSEVELT CO.

Walter Gruefe
Roosevelt County Assessor
Wolf Point, Montana 59201

Dear Walter

Certification notices have been sent to your county for the late filed Net proceeds return(s) for production year(s) 1980 & 1981.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the mill levy used, the tax computed, and the interest and penalty assessed:

	<u>MILL LEVY</u>	<u>TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
1981	148.42	48,230.27		
1982	133.61	425,300.27		

If you have any questions concerning this filing or the above requested information, please contact the undersigned.

Yours truly,

DEPARTMENT OF REVENUE

Don R. Hoffman, chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DH/tr

Attachment

The penalty & interest will be assessed unless they are not paid by 11-30-82.

*Assessor's office
Roosevelt Co.
by [signature]*

November 4, 1982

Mari Youngkin
McCone County Assessor
Circle, Montana 59215

Dear Mari:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1977, 1978, & 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the Mill levy used, the additional tax computed, and the interest and penalty assessed:

	<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
1978	173.20	\$ 2,164.12	\$ 811.10	\$ 43.28
1979	191.76	\$ 2,337.56	\$ 643.31	\$ 46.76
1980	215.57	\$ 2,580.60	\$ 452.14	\$ 51.62

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Very truly yours,

DEPARTMENT OF REVENUE



Don R. Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

Enclosure

*to Youngkin
11/09/82*

DEPARTMENT OF REVENUE



TED SCHWINDEN GOVERNOR

MITCHELL BUILDING

STATE OF MONTANA

HELENA MONTANA 59620

November 4, 1982

Elna Linville
 Powder River County Assessor
 Broadus, Montana 59317

Dear Elna:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1977, 1978 & 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the Mill levy used, the additional tax computed, and the interest and penalty assessed:

estimated to Rec.

MILL LEVY	ADDITIONAL TAX	INTEREST	PENALTY
1978- 78.4497.20	\$ 3116.15	119.5.43	62.32
1979- 100.875	\$ 2556.37	72.4.89	51.12
1980- 98.1507.22	\$ 395.34	72.59	7.90

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Very truly yours,

DEPARTMENT OF REVENUE

Don R. Hoffman, Chief
 Natural Resource Bureau
 Natural Resource & Corporation Tax Division

DRH/tr

Enclosure

DEPARTMENT OF REVENUE



TED SCHWINDEN GOVERNOR

MITCHELL BUILDING

STATE OF MONTANA

HELENA, MONTANA 59620

November 4, 1982

Bernt Ward
Sheridan County Assessor
Plentywood, Montana 59254

Dear Bernt:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1977, 1978 & 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the Mill levy used, the additional tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
107.69	15,049.	785.50	1502.10

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Very truly yours,

DEPARTMENT OF REVENUE

Don Hoff
Don R. Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

Enclosure

DEPARTMENT OF REVENUE



TED SCHWINDEN GOVERNOR

MITCHELL BUILDING

STATE OF MONTANA

HELENA MONTANA 59620

October 28, 1982

Doris Olson
Richland County Assessor
Sidney, Montana 59270

Dear Doris:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the Mill levy used, the additional tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
.09742	1,007.23	184.58	20.14

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Very truly yours,

DEPARTMENT OF REVENUE

Don R. Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

Enclosure

*Copy to Auditor
11/18/82*

DEPARTMENT OF REVENUE



TED SCHWINDEN GOVERNOR

ARTS BLDG BUILDING

STATE OF MONTANA

HELENA, MONTANA 59620

October 28, 1982

Curtis Huether
Fallon County Assessor
Baker, Montana 59313

Dear Curtis:

Please find enclosed certification notices for the recently completed audit of _____ Net Proceed returns for production years 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the Mill levv used, the additional tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
99.800	# 933.13	NONE	NONE

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Very truly yours,

DEPARTMENT OF REVENUE

Don R. Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

Enclosure

*Copy to Auditor
11/8/82*

RECEIVED
DEC 16 '82
STATE DEPARTMENT
OF REVENUE

October 28, 1982

Helen Waters
Phillips County Assessor
Malta, Montana 59538

Dear Helen:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the Mill levy used, the additional tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
154.40	\$ 744.52	1st half paid 11-30-82	Treas. did not charge penalty or interest.
144.03	\$ 442.02	1st half paid 11-30-82	

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Very truly yours,

DEPARTMENT OF REVENUE



Don R. Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

Enclosure

DEPARTMENT OF REVENUE



TED SCHWINDEN GOVERNOR

MITCHELL BUILDING

STATE OF MONTANA

HELLENA, MONTANA 59620

RECEIVED

NOV - 3 1982

MONT. DEPT. OF NATURAL
RESOURCES & CONSERVATION

October 19, 1982

Doris Olson
Richland County Assessor
Sidney, MT 59270

Dear Doris:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1977 & 1978.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the Mill levy used, the additional tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
120.49	501.36	179.74	10.02
103.23	388.54	100.44	7.78

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Very truly yours,

DEPARTMENT OF REVENUE

Don R. Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

Enclosure

*Copy to Auditor
11/18/82*

DEPARTMENT OF REVENUE



TED SCHWINDEN, GOVERNOR

MITCHELL BUILDING

STATE OF MONTANA

HELENA, MONTANA 59620

October 19, 1982

Bernt Ward
Sheridan County Assessor
Plentywood, MT 59254

Dear Bernt:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1977, 1978 & 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the Mill levy used, the additional tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
1980 - 162.01	27,248.10		13479.96
1980 - 143.98	4,215.94		
1979 - 121.31	16,236.30		
1978 - 111.92	7000.65		

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Very truly yours,

DEPARTMENT OF REVENUE

Don R. Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

Enclosure

*Copy to Auditor
11/8/82*

RECEIVED

OCT 25 1982

DEPARTMENT OF REVENUE
PROPERTY ASSESSMENT DIVISION

October 19, 1982

Mary Guse
Glacier County Assessor
Cut Bank, MT 59427

Dear Mary:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1978 & 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the Mill levy used, the additional tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
157.11	136.12		
145.77	1450.26		

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Very truly yours,

DEPARTMENT OF REVENUE

Don Hoffman

Don R. Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

Enclosure

to Van 10/29/82
JK

October 19, 1982

Mari Youngkin
McCone County Assessor
Circle, MT 59215

Dear Mari:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1978 & 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the Mill levy used, the additional tax computed, and the interest and penalty assessed:

	<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
1979	191.76	325.80	71.68	6.52
1979	191.76	Refund (10,449.76)	-0-	-0-
1980	215.57	2,303.16	322.44	46.06

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Very truly yours,

DEPARTMENT OF REVENUE



Don R. Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

Enclosure

*to Van
14/29/*

DEPARTMENT OF REVENUE



TED SCHWINDL, GOVERNOR

MITCHELL BUILDING

STATE OF MONTANA

HELENA, MONTANA 59620

October 19, 1982

Bernt Ward
Sheridan County Assessor
Plentywood, MT 59254

Dear Bernt:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1978 & 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the Mill levy used, the additional tax computed, and the interest and penalty assessed:

	<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
1980-	162.01	6442.80		1307.91
1979-	160.42	1119.40		

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Very truly yours,

DEPARTMENT OF REVENUE

Don Hoffman

Don R. Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

Enclosure

*Copy to Don Hoffman
11/8/82*

DEPARTMENT OF REVENUE



TED SCHWINDEN GOVERNOR

MITCHELL BUILDING

STATE OF MONTANA

HELENA, MONTANA 59620

October 19, 1982

Doris Olson
Richland County Assessor
Sidney, MT 59270

Dear Doris:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the Mill levy used, the additional tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
.09570	1448.23	289.68	28.96

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Very truly yours,

DEPARTMENT OF REVENUE

Don R. Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

Enclosure

*Copy to Auditor
Tamm
11/18/82*

RECEIVED

DEPARTMENT OF REVENUE

OCT 21 1982

RECEIVED

CO. ASSESSOR

OCT 25 '82

MITCHELL BUILDING



TED SCHWINDEN, GOVERNOR

STATE OF MONTANA

DEPT OF REVENUE

HELLNA, MONTANA 59620

October 19, 1982

Oct 12th
Cert Notices

Creath Tooley
Yellowstone County Assessor
Billings, MT 59101

Dear Creath:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1978 & 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the Mill levy used, the additional tax computed, and the interest and penalty assessed:

	<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
1979	197.98	\$10,097.97	-	-
1980	203.15	24,343.46	-	-

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Very truly yours,

DEPARTMENT OF REVENUE

Don Hoffman

Don R. Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

Enclosure

DEPARTMENT OF REVENUE

TED SCHWINDEN, GOVERNOR

MITCHELL BUILDING



STATE OF MONTANA

HELENA, MONTANA 59620

October 19, 1982

RECEIVED

81 prod book RECEIVED

OCT 21 1982

OCT 22 1982

ASSESSORS OFFICE
ROOSEVELT CO.

Walter Gruefe
Roosevelt County Assessor
Wolf Point, MT 59201

STATE DEPARTMENT
OF REVENUE

Dear Walter:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years ~~1978~~ & 1979. *OK*

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the Mill levy used, the additional tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
<i>1930</i> 190.30	288.67		

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Very truly yours,

DEPARTMENT OF REVENUE

Don Hoff

Don R. Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

Enclosure

*This is 1979
Production - couldn't
find 1978 Production.
They have not paid this
amount as yet but they
have until Nov. 30th to pay.
We as yet have not said*

DEPARTMENT OF REVENUE



HERBERT H. FULTON, GOVERNOR

MICHAEL T. BURTON, COMMISSIONER

STATE OF MONTANA

HELENA, MONTANA 59603

April 14, 1982

Margaret Nickish
Rosebud County Assessor
Forsyth, Montana 59327

Dear Margaret:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production year 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the mill levy used, the additional tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
.110974	\$848.84	144.30 1% for 17 mos.	200 ⁰⁰ for late report

Montana Law 84-7804

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Yours truly,

DEPARTMENT OF REVENUE

Don Hoff

Don Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DH/dh

Enclosure

RECEIVED

ASSESSOR
ROSEBUD COUNTY

OK

April 14, 1982

Doris Baird
Richland County Assessor
Sidney, Montana 59270

Dear Doris:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1977, 1978 & 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the mill levy used, the additional tax computed, and the interest and penalty assessed:

	<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
13-14	125.55	8682.27	2909.62	
83	163.96	5742.91	2067.80	
185	119.52	1638.02	589.68	
13	132.75	15925.17	4542.75	
13-83	133.33	28733.82	6896.06	
942	103.23	2169.04	520.57	
13-84	125.24	4340.85	523.30	
13+	124.00	1375.27	145.02	
13+	121.69	11740.56	1432.85	
13+	124.51	1296.57	155.62	

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Yours truly,

84,268.92 -7

19,803.29 -

DEPARTMENT OF REVENUE

Don Hoffman

Don Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DH/dh

Enclosure

109

40,654.90
credit account will

OK
Rec'd

DEPARTMENT OF REVENUE

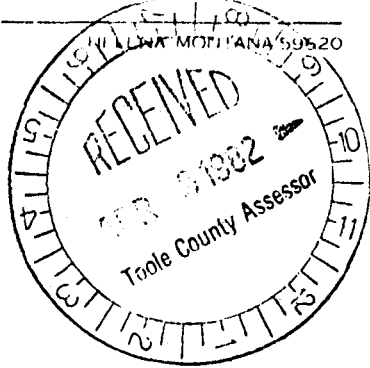
HEADQUARTERS IN GOVERNOR

MICROFILM BUILDING



STATE OF MONTANA

April 8, 1982



Earl Bonderud
Toole County Assessor
Shelby, Montana 59474

RECEIVED
STATE DEPARTMENT
OF REVENUE

Dear Earl:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1977, 1978 and 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the mill levy used, the additional tax computed, and the interest and penalty assessed:

MILL LEVY	ADDITIONAL TAX	INTEREST	PENALTY
1978 .14269	\$ 4,857.89	None	None
1979 .15678	\$ 6,542.26	None	None
1980 .12799	\$ 9,415.80	None	None
	<u>\$ 20,815.95</u> - TOTAL		

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Yours truly,

DEPARTMENT OF REVENUE

Don Hoffman

Don Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DH/dh

Enclosure

4/16/82

DEPARTMENT OF REVENUE

TELEPHONE: 234-2200 GOVERNOR

MICHELLE BUILDING



STATE OF MONTANA

HELENA MONTANA 59620

April 8, 1982

Linda Anderson
Blaine County Assessor
Chinook, Montana 59523

Dear Linda:

Please find enclosed certification notices for the recently completed
audit of Net Proceed returns for production years
1977, 1978 and 1979.

Please complete the following schedule on the attached copy and keep
this original for your records. Please provide the mill levy used, the
additional tax computed, and the interest and penalty assessed:

1979

<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
158.15	\$ 737 ⁷⁶		

If you have any questions concerning the audit or the above requested
information, please contact the undersigned.

Yours truly,

DEPARTMENT OF REVENUE

Don Hoffman

Don Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DH/dh

Enclosure

*OK
Rec'd
Apr 14*

DEPARTMENT OF REVENUE

RECEIVED
APR 9 1982

COUNTY ASSESSOR

MITCHELL BUILDING

TED SCHWINDEN GOVERNOR



STATE OF MONTANA

HELENA MONTANA 59620

April 8, 1982

Dorothy Klotz
Teton County Assessor
Choteau, Montana 59422

Dear Dorothy:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1977, 1978 and 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the mill levy used, the additional tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
168.05	\$277.62		
174.17	\$389.44		
170.18	\$722.76		

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Yours truly,

DEPARTMENT OF REVENUE

Don Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DH/dh

Enclosure

OK
Rec'd
Apr 9-82

DEPARTMENT OF REVENUE

MITCHELL BUILDING

TED SCHWINDEN, GOVERNOR



STATE OF MONTANA

HELENA, MONTANA 59620

RECEIVED

APR 9 1982

COUNTY ASSESSOR

April 8, 1982

Mary Guse
Glacier County Assessor
Cut Bank, Montana 59427

Dear Mary:

Please find enclosed certification notices for the recently completed audit of Net Proceed returns for production years 1977, 1978 and 1979.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the mill levy used, the additional tax computed, and the interest and penalty assessed:

	<u>MILL LEVY</u>	<u>ADDITIONAL TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
178 2598	148.28	385.23		
79 2598	170.33	442.52		
80 2665	155.92	415.53		

If you have any questions concerning the audit or the above requested information, please contact the undersigned.

Yours truly,

DEPARTMENT OF REVENUE

Don Hoff

Don Hoffman, Chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DH/dh

Enclosure

OK Rec'd Apr

DEPARTMENT OF REVENUE



TED SCHWINDEN GOVERNOR

MILLER BUILDING

STATE OF MONTANA

HELENA MONTANA 59620

December 29, 1982

James Chamberlain
Musselshell County Assessor
Roundup, MT 59072

Dear Jim

Certification notices have been sent to your county for the late filed net proceeds return(s) for production year(s) 1981.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the mill levy used, the tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
1.57.54	\$ 3306.15		\$ 297.54

If you have any questions concerning this filing or the above requested information, please contact the undersigned.

Yours truly,

DEPARTMENT OF REVENUE

Don R. Hoffman, chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DH/tr

Attachment

RECEIVED

JAN 04 1983

STATE DEPARTMENT
OF REVENUE

DEPARTMENT OF REVENUE



STATE OF MONTANA

November 3, 1982

55 months late

Mary Guse
Glacier County Assessor
Cut Bank, MT 59427

Dear Mary

Certification notices have been sent to your county for the late filed net proceeds return(s) for production year(s) 1976 through 1981.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the mill levy used, the tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
------------------	------------	-----------------	----------------

total penalty 54,685.5

If you have any questions concerning this filing or the above requested information, please contact the undersigned.

Yours truly,

DEPARTMENT OF REVENUE

Don R. Hoffmann
Don R. Hoffmann, chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

I have enclosed copies of bills 434, 435, 436, 437 & 438 showing all of the above requested information with the exception of interest. I enclosed a copy of 19816-102 to the treasurer concerning interest. It is not known at this time if she will include interest.

Mary

DH/tr

Attachment

DEPARTMENT OF REVENUE



TED SCHWABEN GOVERNOR

MICHAEL B. LEVY

STATE OF MONTANA

MONTANA MONTANA MONTANA

August 18, 1982

Doris Olson
Richland County Assessor
Sidney, Montana 59270

Dear Doris:

Certification notices have been sent to your county for the late filed net proceeds return(s) for production year 1980.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the mill levy used, the tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
115.26	35743.28	5718.92	—

If you have any questions concerning this filing or the above requested information, please contact the undersigned.

Yours truly,

DEPARTMENT OF REVENUE

Don Hoffman

Don Hoffman, Chief,
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

2:0 10/27/82

DEPARTMENT OF REVENUE

RECEIVED

MUSSELHELL BUILDING

AUG 4 '82

DEPARTMENT OF REVENUE



LETTERS FROM THE GOVERNOR

STATE OF MONTANA

July 27, 1982

James Chamberlain
Musselshell County Assessor
Roundup, Montana 59072

Dear Jim:

Certification notices have been sent to your county for the late filed net proceeds return(s) for production year(s) 1980.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the mill levy used, the tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>TAXES</u>	<u>INTEREST</u>	<u>PENALTY</u>
134.78	4575.49 By Treasurer →	305.04	10% penalty for 13 months 594. 797.61

If you have any questions concerning this filing or the above requested information, please contact the undersigned.

Yours truly,

DEPARTMENT OF REVENUE

Don Hoff

Don Hoffman, Chief,
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DRH/tr

*Rec'd
10/21/82
G*

DEPARTMENT OF REVENUE

TED SCHWINDEN, GOVERNOR

MITCHELL BUILDING



STATE OF MONTANA

HELENA, MONTANA 59620

October 12, 1982

RECEIVED

OCT 18 1982

STATE DEPARTMENT OF REVENUE

James Chamberlain
Musselshell County Assessor
Roundup, Montana 59072

Dear Jim

Certification notices have been sent to your county for the late filed gross proceeds return(s) of _____ for production year(s) 1981.

Please complete the following schedule on the attached copy and keep this original for your records. Please provide the mill levy used, the tax computed, and the interest and penalty assessed:

<u>MILL LEVY</u>	<u>TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
159.54	\$ 7469.67	- 0 -	\$ 448.20

If you have any questions concerning this filing or the above requested information, please contact the undersigned.

Yours truly,

DEPARTMENT OF REVENUE

Don R. Hoffman, chief
Natural Resource Bureau
Natural Resource & Corporation Tax Division

DH/tr

Attachment

STANDING COMMITTEE REPORT

1/25/83 minutes

January 25

19 83

MR. PRESIDENT

We, your committee on taxation

having had under consideration House Bill No. 81

Nordtvedt (Towe)

Respectfully report as follows: That House Bill No. 81

BE CONCURRED IN
~~XXXXXX~~

40

STANDING COMMITTEE REPORT

January 25

19 83

MR. **PRESIDENT**

We, your committee on **taxation**

having had under consideration **Senate** Bill No. **96**

Respectfully report as follows: That **Senate** Bill No. **96**

be amended as follows:

1. Page 2, line 18.

Following: **"year; "**

Strike: **"and"**

Insert: **"(b) an amount to be determined by the legislature in the economic development fund established by [initiative 95]; and"**

Renumber: subsequent subsection.

2. Page 2, line 20.

Following: **"subfunds"**

Strike: **"not otherwise specifically appropriated"**

~~DOX PASSX~~

(CONTINUED ON PAGE 2)

Chairman.

J.C.

January 25

19 83

3. Page 3.

Following: line 1

Insert: "NEW SECTION. Section 3. Deposits to general fund available for appropriation. The funds deposited to the general fund under 17-5-704(2)(c) are available each biennium for appropriation by the legislature.

NEW SECTION. Section 4. Nonseverability. It is the intent of the legislature that each part of [this act] is essentially dependent upon every other part. If one part is held unconstitutional or invalid, all other parts are invalid and 17-5-703 and 17-5-704 are not amended in any manner by this act."

Renumber: Subsequent section.

AND AS AMENDEDDO PASS

STANDING COMMITTEE REPORT

January 25

19 83

MR. **PRESIDENT**

We, your committee on **Taxation**

having had under consideration **Senate** Bill No. **110**....

Respectfully report as follows: That..... **Senate** Bill No. **110**

be amended as follows:

1. Title, line 7.
Following: "TAXES"
Strike: remainder of lines 7 and 8 in their entirety
Insert: "."
2. Page 1, line 11.
Strike: sections 1 and 2 in their entirety
Renumber: subsequent sections
3. Page 2, line 19.
Following: "has"
Strike: "improperly"
Insert: "incorrectly"

DEPASS

(CONTINUED ON PAGE 2)

HC

January 25,

19 83

4. Page 2, line 23.
Following: "thereto"
Insert: "until paid in full"

5. Page 2, line 25.
Following: "payable."
Insert: "In no instance will a taxpayer subject to
imposition of interest pursuant to this section be also
subject to the penalty and interest provisions contained
in 15-16-102."

AND AS AMENDED

DO PASS

J/C