

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

March 28, 1985 P.M.

The fifty-fourth meeting of the Taxation Committee was called to order in room 312-1 of the state capitol by Chairman Gerry Devlin at 9:03 p.m.

ROLL CALL: All members were present as were Dave Bohyer, Researcher for the Legislative Council, and Alice Omang, secretary.

CONSIDERATION OF HOUSE BILL 120: Representative Devlin offered amendments on page 3, line 25, following "date", to strike the remainder of the line and the first line on page 4, and insert "this act becomes effective on October 1, 1985, but only if the rate of tax on cigarettes imposed by 26 U.S.C. 5701 (b)(1) is reduced from \$8 per thousand to \$4 per thousand on that date".

Chairman Devlin said that the reason he proposed this is because if the feds do drop the 8 cents, then this will go into effect and if they do not drop it, then they are not adding an extra tax.

Representative Switzer moved that amendment. The motion passed unanimously.

Representative Schye moved DO PASS AS AMENDED. Representative Harp moved to amend the bill by taking away the earmarking and putting the money in the general fund. The motion carried unanimously.

Representative Sands stated that he felt they should use HB 45 instead and moved to TABLE this bill. The motion carried unanimously.

DISPOSITION OF HOUSE BILL 45: Representative Williams moved DO PASS. Representative Harp moved to amend the bill on page 3, line 17, following "1985", insert, "but only if the rate of tax on cigarettes imposed by 26 U.S.C. 5701 (b)(1) is reduced from \$8 per thousand to \$4 per thousand on that date".

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The motion carried unanimously. Representative Williams moved that this bill DO PASS AS AMENDED. The motion carried with Representative Switzer, Representative Zabrocki, and Representative Asay voting no.

DISPOSITION OF HOUSE BILL 651: Representative Harp moved that this bill DO NOT PASS. He indicated that they were hearing a bill in local government and that might be a mechanism to take care of these needs. The motion carried with Representative Schye, Representative Ream, and Representative Devlin voting no.

DISPOSITION OF HOUSE BILL 374: Representative Williams distributed proposed amendments to this bill. See Exhibit 1. He then moved adoption of the amendments. There was considerable discussion on the amendment. Representative Cohen said they should change this to 8 1/3, 1 1/3 and 1 1/3.

Mr. Bohyer explained that the amendment would read, on page 2, line 23, where it say "5 cents" insert "8 1/3 cents"; on page 3, line 1, where it say "5" strike the "5" and insert "1 1/3" and on line 3, strike "5" and insert "1 1/3".

Representative Abrams noted that this added up to 11 cents instead of 10 cents and they agreed to change the "8 1/3" cents to "7 1/3". The motion carried unanimously.

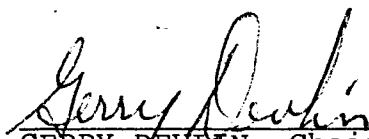
Representative Gilbert moved to strike lines 9 through 13 on page 3. The motion carried unanimously.

Representative Keenan moved that this bill DO PASS AS AMENDED. The motion carried with Representative Switzer, Representative Hanson, Representative Asay, Representative Gilbert and Representative Patterson voting no.


DISPOSITION OF HOUSE BILL 590: Representative Keenan moved to TABLE this bill. The motion carried unanimously.

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ADJOURNMENT: There being no further business, the meeting adjourned at 9:50 p.m.



GERRY DEVLIN, Chairman



Alice Omang, Secretary

DAILY ROLL CALL

HOUSE TAXATION

COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date March 28, 1985-P

| NAME | PRESENT | ABSENT | EXCUSED |
|-------------------------|---------|--------|---------|
| DEVLIN, GERRY, Chrm. | ✓ | | |
| WILLIAMS, MEL, V. Chrm. | ✓ | | |
| ABRAMS, HUGH | ✓ | | |
| ASAY, TOM | ✓ | | |
| COHEN, BEN | ✓ | | |
| ELLISON, ORVAL | ✓ | | |
| GILBERT, BOB | ✓ | | |
| HANSON, MARIAN | ✓ | | |
| HARRINGTON, DAN | ✓ | | |
| HARP, JOHN | ✓ | | |
| IVERSON, DENNIS | ✓ | | |
| KEENAN, NANCY | ✓ | | |
| KOEHNKE, FRANCIS | ✓ | | |
| PATTERSON, JOHN | ✓ | | |
| RANEY, BOB | ✓ | | |
| REAM, BOB | ✓ | | |
| SANDS, JACK | ✓ | | |
| SCHYE, TED | ✓ | | |
| SWITZER, DEAN | ✓ | | |
| ZABROCKI, CARL | ✓ | | |
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STANDING COMMITTEE REPORT

March 28,

85

..... 19.....

MR. **SPEAKER:**

TAXATION

We, your committee on

having had under consideration **HOUSE** Bill No. **45**

first reading copy (**white**)
color

**AN ACT INCREASING THE CIGARETTE EXCISE TAX TO 24 CENTS PER PACKAGE;
DIRECTING THE DISPOSITION OF THE ADDITIONAL CIGARETTE TAX REVENUE;**

Respectfully report as follows: That **HOUSE** Bill No. **45**

be amended as follows:

1. Page 3, line 17.

Following: "1985"

Insert: ", but only if the rate of tax on cigarettes
imposed by 26 U.S.C. 5701 (b(1)) is reduced from \$8 per
thousand to \$4 per thousand on that date"

AND AS AMENDED
DO PASS

~~XXXXXX~~
DO PASS

#54

STANDING COMMITTEE REPORT

March 28, 1935

MR. SPEAKER:

We, your committee on TAXATION

having had under consideration HOUSE Bill No. 651

first reading copy (white color)

AN ACT AUTHORIZING THE ISSUANCE OF BONDS TO FINANCE COUNTY JAIL
CONSTRUCTION OR RENOVATION; RAISING ALCOHOLIC BEVERAGE TAXES
TO PAY OFF THE BONDS AND INCREASE GENERAL FUND REVENUE;

Respectfully report as follows: That HOUSE Bill No. 651

DO NOT PASS

~~DO PASS~~

STANDING COMMITTEE REPORT

Page 1 of 2.

March 23,

19 85

MR. SPEAKER

We, your committee on TAXATION

having had under consideration HOUSE Bill No. 374

first reading copy (white)
color

RAISE BEER AND WINE TAX TO DOUBLE MONEY FOR ALCOHOLISM
PROGRAMS

Respectfully report as follows: That HOUSE Bill No. 374

be amended as follows:

1. Title, line 4.

Following: ~~RAISING~~ "RAISING"

Strike: "BEER AND"

2. Title, lines 6 through 8.

Following: "PROGRAMS" on line 6

Strike: the remainder of line 6 through "SALES" on line 8

3. Title, line 9.

Following: "AMENDING"

Strike: "SECTIONS 16-1-409 AND"

Insert: "SECTION"

~~DO PASS~~

(continued)

March 26, 1985

4. Pages 1 and 2.

Following: the enacting clause

Strike: Section 1 in its entirety

Renumber: subsequent sections.

5. Page 2, line 6.

Following: "28"

Strike: "31"

Insert: "16"

6. Page 2, line 23.

Following: "4"

Strike: "15"

Insert: "10"

Following: "third"

Strike: "5"

Insert: "7 1/3"

7. Page 3, line 4.

Following: "third"

Strike: "5"

Insert: "1 1/3"

8. Page 3, line 3.

Following: "third"

Strike: "5"

Insert: "1 1/3"

9. Page 3.

Strike: lines 9 through 13 in their entirety

AND AS AMENDED

DO PASS

Exhibit 1
HB 374
3/28/85
Rep Williams

PROPOSED AMENDMENT
HB 374 Sponsor Rep. Waldron

Page 1 line 14: \$3 \$1
Page 1 line 17: \$3 \$1
Page 2 line 6: 34 36 cents
Page 2 line 23: 15 20 cents 5 17 1/3 cents
Page 3 line 1: 5 1 1/3 cents
Page 3 line 3: 5 1 1/3 cents

The above changes keep the tax on beer as it is now.
The wine tax to cities and counties (page 3) will also
remain as they are now. The increase on wine (page 2
to the credit of the Department of Institutions) will
be used only for Treatment and Rehabilitation of
alcoholics at the community program level.