

MINUTES OF THE MEETING  
TAXATION COMMITTEE  
MONTANA STATE SENATE

March 6, 1987

The thirty-sixth meeting of the Senate Taxation Committee was called to order at 8:15 A.M. on March 6, 1987 by Chairman George McCallum in Room 413/415 of the Capitol Building.

ROLL CALL: All committee members were present.

CONSIDERATION OF SB 389: Senator Lybeck, Senate District 4, presented this bill to the committee. He said this bill would increase the annual license tax fee on motor vehicles powered by liquefied petroleum gas to be commensurate with the tax on gasoline and diesel fuel. This is a committee bill and he believes the wishes of the committee was to increase the annual license fee on liquefied petroleum gas to be equivalent to the increase on gasoline and diesel just passed by the committee. The last change that was made on this license fee was done July 1, 1976. This was at the time gasoline was taxed at 7-3/4 cents a gallon. Perhaps an adjustment is in order. He reviewed the changes in the bill. He said the change would be in direct relation to gasoline being 20 cents a gallon tax now as opposed to the 7-3/4 cents when the fee was set.

PROPOSERS: Jesse Munro, Administrator, Gross Vehicle Weights Division, Department of Highways, gave testimony in support of this bill. The Department of Highways supports this bill on the basis of equity with the increases that have occurred with gasoline and diesel.

Charles M. Simonsen, Manager for Ryder Transport, Inc. and KAL Lines of Billings, gave testimony in support of this bill. A copy of his written statement is attached as Exhibit 1.

OPPOSERS: Representative Cohen, House District 3, gave testimony in opposition to this bill. Representing the Montana Solid Waste Contractors Assn., his business will see an increase of \$1,000 a year of increased fees with this bill and he can see no way of passing this increase onto the customers. He has not raised his rates in the last two years and has not seen any increases in general revenue in the last two years. Their insurance rates have doubled and property taxes have increased. They do not need a fee increase at this time on top of the economic problems in his community.

Jack Brown, representing the Montana-Wyoming Liquefied Petroleum Gas Assn., gave testimony in opposition to this bill. He feels this represents an extensive increase. A 258% increase at one time is quite a bit. He has invested heavily to install equipment in their vehicles to utilize liquefied petroleum. They will have to pass along a 25% increase to their customers if an increase of this size is passed. This type of fuel is a clean fuel, less pollutant to the environment, and better for the country. Several states completely eliminate the tax on propane. Canada is paying people to install a liquefied petroleum system in their vehicles. He is not opposed to paying his share but propane is 75% of the BTU per gallon of gasoline. With an increase of 70-75%, they feel they could live with that and could justify that to their customers. He would like to work with the committee in proposing some amendments that would take into consideration the BTU factor and reduce this increase by 30%.

Scott Orr, representing S.J. Orr Services, gave testimony in opposition to this bill. The yearly cost now for the vehicles that he has is \$1,040. This would represent an increase of \$1,614 to \$2,654 per year. That is a 255% increase. His health insurance, business liability policy and workers compensation rates have all increased. An increase would be fair but he thinks it should be considerably less than this.

John Bashan, representing a liquefied petroleum gas business in Sanders County at Thompson Falls, stood in opposition of this bill stating Jack Brown covered everything that he had to say.

Sue Weingartner, representing the Montana Solid Waste Contractors, gave testimony in opposition to this bill. Her written comments are attached as Exhibit 2.

QUESTIONS FROM THE COMMITTEE: Senator Crippen asked Mr. Brown if he had furnished the committee with the amendments he referred to.

Jack Brown said his proposal would be to decrease this by 30% and to allow the dealers to charge the people who do not have permits an equivalent rate. If they don't have permits, he would suggest charging them 14 cents a gallon for the fuel tax.

Senator Crippen said he is inclined to go along with that but he would like to have some amendments presented to that effect.

Senator Severson asked Norris Nichols if this could be done on a per gallon basis.

Norris Nichols said from an administrative standpoint he prefers the fee. We can go on a per gallon basis but it will mean more work for the department.

Jack Brown said propane is only about 1% of the motor fuel tax. With the permit system the state has the use of the money from January 1 and that is a plus.

Senator Lybeck closed.

CONSIDERATION OF SB 387: Dan Bucks, Deputy Director, Department of Revenue, gave technical comments concerning this bill. He said he is here to tell the committee what the Department can do now, without additional administrative costs, and the kinds of changes that would require additional costs in SB 387. Without additional funding they could not do the changes in the bill relating to the oil and gas taxes by April 1. What could be done by April 1, without additional administrative costs, is the change proposed in the coal tax. For the oil and gas taxes, what would be potentially favorable, would be to have a production criteria and require the oil to be reported monthly above that level and the natural gas would not need to be reported any sooner than every 45 days. From administrative experience, it is not possible for them to report in 30 days. It would also be favorable to accelerate the electrical energy tax. The revenue effect of that for the state would be \$8.5 million. He would urge consideration for the changes to be delayed to January 1, 1988.

Senator Eck closed.

DISPOSITION OF SB 383: Senator Crippen made a motion that SB 383 DO PASS.

Senator Lybeck said this is another loss to the general fund.

Senator Crippen said any time you cut the taxes there will be a loss to government. From the testimony heard on this bill, he is convinced that now is the time to give the oil and gas industry some incentives to come into the state, especially at this point in time.

Senator Neuman is in agreement with Senator Lybeck in relation to the shortfall that occurs to the general fund if this bill is implemented. The Senate has passed out bills that will reduce the revenue to the local governments by \$15 million already. We are shifting the burden onto the local taxpayers and he does not

think that is something we should be doing this session. In 1985 we lowered the taxes on stripper wells and tertiary production to provide incentives to increase production, which has not materialized.

Senator Mazurek said the fiscal note doesn't address what causes the adverse fiscal impact. He asked Janelle Fallan if there were several factors working together.

Janelle Fallan said Senator Gage did have some questions about the fiscal note and planned to talk with the Budget Office about them.

Dan Bucks said the 25% referred to in the fiscal note was to take one quarter off FY 88 as opposed to a full year. The key assumption is item #2 for the way the revenue effect was calculated. Item #2 is new production that was occurring in that year and the assumption is that would be the level of new production in the future and that would be the oil and gas that would receive the tax reduction under this particular bill.

Senator Eck said the estimate you are basing this on is the 1986 level. It seems to her there are a number of years of work on development before they actually drill and produce. The new production that we see in 1986 is based on conditions higher than the very depressed oil market today. She asked Dan Bucks to respond.

Dan Bucks said he did not think the Budget Office or the Department was in a position to have the information to respond to that question. We do not know what the cycle is within the industry as to when they would be making decisions for the 1986 production that was produced.

Janelle Fallan said we do know that, as Bill Ballard suggested, there are wells that are being planned, in part, depending on what happens here. There are a few that are on the books. If something like this passes, a lot of companies that are looking at their exploration budgets, will take a serious look at Montana.

Senator Severson said this is an incentive bill. He is wondering if there would be support for the bill if the incentive was for 12 months instead of 24 months.

Senator Mazurek said you need the new definition of interim and new production, if you do nothing more than correct what should have been done in 390 last session. He does not know the impact of providing the proration.

Dan Bucks said the fiscal note assumes that the proration of deductions, if done in a proper manner, does not adversely effect revenue.

Senator Crippen referred to what happened in Alberta when they had an adverse federal policy. He does not think the local governments can afford not to have something like this. If our production continues to go down, their income will continue to go down. We have to do something to get more wells drilling so production will go up.

Senator Hirsch asked Janelle Fallon if a well has been drilled, capped and redrilled, if that is considered new production under this bill.

Janelle Fallon said if it has been capped for 5 years, and in that case it will have to be redrilled and will qualify.

Senator Brown asked Mike Walsh if we did what Senator Severson suggested and limited this to one year, what would the fiscal impact be.

Mike Walsh said the fiscal impact would be 1/4 of what the fiscal impact would be for two years.

Senator Brown said he couldn't help but be impressed by Mr. Ballard's map. It seems like the drilling activity shouldn't just stop at the borders to Montana. He would be willing to give this industry a little more incentive. Senator Brown made a substitute motion to amend the bill to cut the effect of this to the first 12 months rather than the first 24 months.

Senator Neuman said the committee has to make some sort of decision on where to draw the line. If we do this for the oil industry, we are placing a greater burden on people that can't afford to pay it any more than the oil and gas people. What is more important.

Senator McCallum said if they don't produce we won't get anything. If you encourage them to produce, in the long run it will help the state and counties.

Senator Eck said Senator Neuman's comments are good. She thinks it would be wise to sit down in subcommittee and look at the various proposals that we have and the ones that are in the House that provide some tax relief to the oil industry. She likes this one better than some of the other ones.

Senator Brown's substitute motion carried with Senator Crippen opposed.

Senator Severson made a motion that SB 383 DO PASS AS AMENDED. The motion carried with Senator Lybeck opposed.

DISPOSITION OF SB 66: Senator Mazurek made a motion that SB 66 DO PASS. He believes it is a necessary bill to correct some of the problems with 390 last session. The motion carried with Senator Lybeck opposed.

DISPOSITION OF SB 340: Senator Severson furnished the committee with amendments to set up a new mechanism to fund the Department of Livestock. The process will go completely to the Department of Livestock from the Department of Revenue. Both departments worked together and agreed on the process. A copy of the amendments is attached as Exhibit 3.

Senator Severson made a motion to adopt the amendments. The motion carried.

Senator Severson made a motion that SB 340 DO PASS AS AMENDED.

Senator Neuman said his arguments are essentially the same on this bill as on the previous bill. This will be a significant reduction to the local governments. The grain is not a problem, there is not a lot of grain stored on the farms because of the PIK program. The livestock tax is a significant tax base and we will cripple some counties if we take into consideration I-105. We will make a better Montana if we use the policies that we have had. We can't keep giving away the tax base.

Senator Eck said she thought there was a lot of merit in doing this but not without an amendment to state that this is effective only if we have a source of replacement revenue. Also, especially for this bill because it is a little more substantial, we should specifically state that this will address I-105. Without these amendments, she can't support the bill.

Senator Mazurek asked if any thought was given to putting breeding stock back in. We took the inventory tax off the retailers and this will take the cattle off, but the breeding stock is more like equipment and maybe should be taxed.

Senator Hirsch said he understood what he was questioning, but he sees a cow as producing income. In that respect, you can't really separate them.

Senator Mazurek said he would equate her to a rack that the clothes hang on. He asked the question to Mons Teigen at the hearing and he thought Mr. Teigen said there is a reasonable basis to distinguish between cattle that are for sale and breeding stock.

Senator Bishop said Mr. Teigen said we could, but he didn't suggest that we do that.

Senator Severson said at least 20% of the cows are turned over every year.

Senator Eck made a substitute motion that SB 340 be amended to make this effective only if a sufficient replacement revenue is provided, and also recognizing that this does, in part, address I-105.

Senator Eck's motion failed, see attached roll call vote.

Senator Hager said we do have bills in the system that are intended to replace this revenue, there are several sales tax measures that are around. It was mentioned at the hearing the problem feed lots experience with taxing these cattle in Montana.

Senator Neuman said he talked to several feed lot operators after the hearing and the problem is not the tax, it is when we collect it. We need to collect the tax when the cattle go into the lot. The cattle are fed out and sold in 6 months and the feed lot operators send the bill to the guy who owns the cattle on the taxes.

Senator Hager said he thought the problem was on who pays the tax. The guy who owns the cattle and feeds them out in Montana will pay the tax, if he feeds them out in another state, he will not pay the tax.

Senator Eck made another substitute motion that a section be added at the end of this bill that would tie this bill to replacement revenue. The motion carried with Senators Hirsch and Neuman opposed.

Senator Severson's motion that SB 340 DO PASS AS AMENDED carried with Senator Neuman opposed.

DISPOSITION OF SB 12: Senator Mazurek made a motion that SB 12 BE TABLED.

Senator Severson said SB 340 couples with Senator Aklestad's bill 100%. We can table this bill and if SB 340 fails, we can take this bill off the table.

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Senator Hirsch thinks this bill should move through the process.

The motion carried with Senators Hirsch, Neuman, Crippen and McCallum opposed.

DISPOSITION OF SB 342: Senator Mazurek made a motion that SB 342 DO NOT PASS. The motion carried.

FURTHER CONSIDERATION OF SB 381: Senator Severson made a motion to adopt the amendment, attached as Exhibit 4, which would insure that the bill covers class 4 and class 12 property, which are buildings, land under the buildings, and all of the property that is covered by a 3.86 taxable percentage.

The motion carried.

Senator Severson made a motion that SB 381 DO PASS AS AMENDED. He said the fiscal note was in error as it covered other classes of property and got into some 12% classes. That is where the minus figures come from. As this bill stands, it really doesn't cap a lot of people. He believes this bill is defensive against I-27.

Senator Eck asked Dan Bucks how this would effect counties like Deer Lodge or Silver Bow, where the mill levies are high.

Dan Bucks said the amendment limits this to class 4 and class 12 properties. He does not have the information in front of him in terms of the effect, county by county. It would be less with the amendments on the bill.

Senator Brown suggested that a bill of this magnitude should have a revised fiscal note.

Mike Walsh said he would get that information to the committee as soon as possible.

DISPOSITION OF SB 90: Senator Mazurek made a motion that SB 90 BE TABLED. The motion carried.

DISPOSITION OF SB 87: Senator Mazurek made a motion that SB 87 BE TABLED. The motion carried.

DISPOSITION OF SB 325: Senator Crippen made a motion that SB 325 DO PASS. The motion carried.

DISPOSITION OF SB 30: Senator Hager made a motion that SB 30 BE TABLED. The motion carried.



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DISPOSITION OF SB 312: Senator Brown made a motion that SB 312 DO PASS.

Senator Crippen has a problem with the bill because this money has always been used for building buildings. This money may be needed to do something with the building program.

Senator Brown's motion failed. See roll call vote attached.

Senator Neuman made a motion that SB 312 BE TABLED. The motion carried with Senator Brown opposed.

ADJOURNMENT: The meeting adjourned at 10:00 A.M.

  
SENATOR GEORGE McCALLUM, Chairman

ah

BILL SB-389

VISITORS' REGISTER

DATE 3-6-89

Please note bill no.

NAME	REPRESENTING	BILL #	(check one)	
			SUPPORT	OPPOS.
JESSE MUNRO	MT. Dept. of Highways	SB389	<input checked="" type="checkbox"/>	<input type="checkbox"/>
PETER LARSEN	TAXPAYER			
J.A. (Jack) Brown	Petrolanc-MT-Wyo LPG A	SB389	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DON HODGINS		"	<input type="checkbox"/>	<input checked="" type="checkbox"/>
S.J. Tramsky	Missoula		<input type="checkbox"/>	<input checked="" type="checkbox"/>
Jerry J. Boney	Northern Energy	SB389	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Marion Wang	Northern Energy	SB389	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Daryl South	Northern Energy	SB389	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Wan Beaver	Big Sky Fuel Supply	SB389	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Alan Meyerhime	MT Solid Est Contractors	"	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Scott J. Orr	S.J. ORR SERVICES	"	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Henry A. Stone	Wm. Haul garbage	"	<input type="checkbox"/>	<input checked="" type="checkbox"/>
John E. Prushkin	Clark Fuel Gas	"	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Olyon Chewoweth	Dept. of Revenue	"	<input type="checkbox"/>	<input type="checkbox"/>
Charles Simonsen	Ryder transport (KAL Inc)	"	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep Bill Cohen	Whitfish	"	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Wanda Meehan	Dept. of Revenue	SB389	<input type="checkbox"/>	<input type="checkbox"/>

ROLL CALL

TAXATION

COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date 3-6-87

NAME	PRESENT	ABSENT	EXCUSED
SENATOR CRIPPEN	✓		
SENATOR NEUMAN	✓		
SENATOR SEVERSON	✓		
SENATOR LYBECK	✓		
SENATOR HAGER	✓		
SENATOR MAZUREK	✓		
SENATOR ECK	✓		
SENATOR BROWN	✓		
SENATOR HIRSCH	✓		
SENATOR BISHOP	✓		
SENATOR HALLIGAN, VICE CHAIRMAN	✓		
SENATOR McCALLUM, CHAIRMAN	✓		

Each day attach to minutes.

(This sheet to be used by those testifying on a bill.)

NAME: J. A. (Jack) Brown DATE: 3/6/87

ADDRESS: 1339 Ave F. Bigs. MT

PHONE: 259-2643

REPRESENTING WHOM? Petrolave & Mt-Wyo LPGA

APPEARING ON WHICH PROPOSAL: S B 389

DO YOU: SUPPORT?  AMEND?  OPPOSE?

COMMENT: Would like amt. of Fee lowered by  
25% + make it possible to pay dealers  
on a Per gallon basis if they don't wish  
to buy a permit. Use same formula  
25% less than gasoline due to BTU  
difference

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: John E. Barkan DATE: 3-6-87

ADDRESS: Thompson Falls Mont

PHONE: 827-3911

REPRESENTING WHOM? Clark Fork Gas Service

APPEARING ON WHICH PROPOSAL: SB 389

DO YOU: SUPPORT? \_\_\_\_\_ AMEND?  OPPOSE? \_\_\_\_\_

COMMENTS: \_\_\_\_\_  
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PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Scott J. Orr DATE: 3/6/87

ADDRESS: Box F LIBBY 59923

PHONE: 293-3233

REPRESENTING WHOM? S. J. ORR SERVICES

APPEARING ON WHICH PROPOSAL: SB 389

DO YOU: SUPPORT?  AMEND?  OPPOSE?

COMMENTS: A 25% INCREASE IS EXCESSIVE.

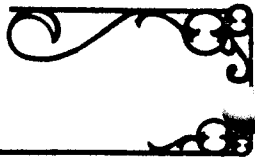
MY 8 TRUCKS WOULD INCREASE FROM ANNUAL  
FEE OF \$1040 TO \$2654

\*ADDITIONAL COMMENTS - MY LETTER TO MEMBERS  
OF THIS COMMITTEE, DATED 3/4/87.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

# S. J. ORR SERVICES, Inc.

P.O. BOX F LIBBY, MONTANA 59923 406/293-3233



3/4/87

Senator George McCallum (R) Plains  
Capitol Station  
Helena, MT 59624

Dear Senator McCallum,

Please vote no on Senate Bill #389. It is not fair to try to make the tax on propane fuel commensurate with gas and diesel. In my ten years of experience of using propane fuelled trucks I've always noticed a drop in the M.P.G. because of the B.T.U. difference. I presently own eight (8) trucks that use propane as fuel. I've converted them for the following reasons: 1) lower per gallon price; 2) lower taxes; 3) increased efficiency in P.T.O. use (Garbage trucks, septic tank truck, portable toilet truck, sweeper) 4) convenience of repairing trucks in the shop without danger of inhaling toxic exhaust fumes.

This bill is an increase of 255%! This would completely take away the incentive propane fuel users have to contribute to clean Montana air. I would not be opposed to a reasonable increase, but find this totally unfair. Thank you for your consideration.

Sincerely,

S.J. Orr

SJO/rdc

"EXCESS EXPRESS"  
Refuse Collection  
Commercial & Residential

"SLEEPY SWEEPER"  
Seal Coating  
Striping  
Sweeping

"SLUSH BRUSH"  
Snow Plowing  
Sanding

"ALPINE SEPTIC SERVICES"  
Septic Tank Pumping

# Montana School Transportation Association

March 6, 1987

Senate Taxation Committee:

Re: SB 389 To increase the price of propane permits

Please consider making an amendment to exempt school buses from the increase.

To our knowledge, there are only two private school bus contractors operating propane-fueled vehicles in Montana. These are KAL Lines of Billings with about 45 propane buses and Big Sky Bus Lines in Great Falls with about 22 to 25 propane buses.

To make this large percentage increase at one time will create a larger tax increase on two contractors. We have passed on the savings of this alternate fuel and now we would have to ask the district to raise more taxes to reimburse us for the increase.

School districts do not pay propane permits and many other costs imposed on private school bus contractors - eventually school districts may have to buy their own buses due to disproportionate contractor costs.

We encourage major tax reform, rather than many small bits of revenue increases.

Thank you for giving us the time to testify.

Sincerely,

*Charles M. Simonsen*

Charles M. Simonsen  
Director of Montana School Transportation Assn.  
and Manager for Ryder Transport, Inc. (aka KAL Lines of Billings)

SENATE TAXATION

EXHIBIT NO. 1

DATE 3-6-87

BILL NO. SB 389



NAME: Sue Weininger DATE: 3/6/87

ADDRESS: Helena, MONTANA

PHONE: 443-1160

REPRESENTING WHOM? MT Solid Waste Contractors

APPEARING ON WHICH PROPOSAL: SB 389

DO YOU: SUPPORT?            AMEND?            OPPOSE? X

COMMENTS:

1) A 25% increase removes the incentives of using propane-powered equipment

2) In the garbage industry - 35% - 45% of the fuel. Running through the trucks to non-road use - used to run the PTO units which compact the trash

3) SB 389 will place a <sup>immediate</sup> sizable tax burden on small businesses who have made substantial investments consisting of purchasing propane equipment.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

4)

SENATE TAXATION  
EXHIBIT NO. 2  
DATE 3-6-87  
BILL NO. SB-389

Amendments to SB340

1. Page 5, line 14.

Following: "number of livestock,"

Strike: number of bushels

2. Page 5, line 15.

Strike: "grain,"

3. Page 6, line 8.

Following: "livestock"

Strike: "and"

Insert: ", "

4. Page 6, line 8.

Following: "poultry"

Insert: "and bees"

5. Page 9, line 15.

Following: "taxes"

Strike: "."

Insert: "and for the collection of tax specified in Section 10."

6. Page 10, line 9.

Following: "the"

Strike: "county"

7. Page 10, line 9.

Following: "the"

Insert: "Board of Livestock"

8. Page 10, line 10.

Strike: lines 10 and 11 in their entirety

9. Page 10, line 12.

Strike: "majority of the owner's poultry or livestock is located"

10. Page 10, line 14.

Strike: "each kind of"

11. Page 10, line 16.

Following: "the"

Strike: "county assessor"

Insert: "Board of Livestock"

12. Page 10, line 17.

Following: "(1)"

Insert: "."

13. Page 10, line 17.

Following: "(1)"

Strike: "and forward"

Insert: "The Board of Livestock shall compile"

SENATE TAXATION

EXHIBIT NO. 3

DATE 3-6-87

BILL NO. SB340

14. Page 10, line 18.  
Following: "information"  
Strike: "to the Board of Livestock"

15. Page 10, line 20.  
Following: "(3)"  
Strike: "Upon notification of"  
Insert: "After"

16. Page 10, line 20.  
Following: "levy"  
Insert: "is"

17. Page 10, line 21.  
Following: "the"  
Strike: "county assessor"  
Insert: "Board of Livestock"

18. Page 11, line 11.  
Following: "(section 10, the)"  
Strike: "county"  
Insert: "Board of Livestock"

19. Page 11, line 12.  
Strike: "assessor"

20. Page 11, line 14.  
Following: "based on the"  
Strike: "assessor's"  
Insert: "Board of Livestock's"

21. Page 14, line 3.  
Following: "of this part."  
Insert: "The Board of Livestock shall provide the Board of County Commissioners of each county with the number of cattle in the county on January 1 for purposes of levying the tax specified in this section."

22. Page 14, line 17.  
Following: "part."  
Insert: "The Board of Livestock shall provide the Board of County Commissioners in each county with the number of cattle in the county on January 1 for purposes of implementing this section."

23. Page 15, line 5.  
Following: "of this part."  
Insert: "The Board of Livestock shall provide the Board of County Commissioners in each county with the number of cattle in the county on January 1 for purposes of implementing this section."

24. Page 18, line 12.  
Following: "sheep"  
Strike: "coming one year old or over"

SENATE TAXATION

EXHIBIT NO. 3

DATE 3-6-87

BILL NO. S.R. 34A

25. Page 18, line 17.

Strike: "coming one year old or over"

26. Page 18, line 24.

Following: "the"

Strike: "county assessor"

Insert: "county treasurer"

27. Page 21, line 1.

Following: "that"

Strike: "is more than nine months of age and"

28. Page 21, line 7.

Following: "that"

Strike: "is more than nine months of age"

29. Page 21, line 8.

Strike: "and"

SENATE TAXATION

EXHIBIT NO. 3

DATE 3-6-87

BILL NO. S.B. 340

AMENDMENTS TO SB 381

1. Title, line 4.

Following: "ON"

Strike: "REAL"

Insert: "CLASS 4 AND CLASS 12"

2. Page 1, line 10.

Following: "value."

Strike: "Land"

Insert: "Real estate"

Following: "improvements"

Insert: ", as defined in 15-1-101,"

Following: "under"

Strike: remainder of line 10 through "6" on line 11

Insert: "15-6-134 or 15-6-142"

7062b/c:JEANNE\WP:jj

SENATE TAXATION

EXHIBIT NO. 4

DATE 3-6-87

BILL NO. SB-381

ROLL CALL VOTE

SENATE COMMITTEE TAXATION

Date March 6, 1987 Bill No. SB 340 Time 9:20 A.M.

<u>NAME</u>	<u>YES</u>	<u>NO</u>
SENATOR CRIPPEN		✓
SENATOR NEUMAN		✓
SENATOR SEVERSON		✓
SENATOR LYBECK	✓	
SENATOR HAGER		✓
SENATOR MAZUREK	✓	
SENATOR ECK	✓	
SENATOR BROWN	✓	
SENATOR HIRSCH		✓
SENATOR BISHOP		✓
SENATOR HALLIGAN, VICE CHAIRMAN	✓	
SENATOR McCALLUM, CHAIRMAN		✓

Aggie Hamilton  
Secretary

Senator George McCallum  
Chairman

Motion: Senator Eck's motion that SB 340 be amended to make  
this effective only if a sufficient replacement revenue is  
provided, and also recognizing that this does, in part, address  
I-105. The motion failed 5-7.

ROLL CALL VOTE

SENATE COMMITTEE TAXATION

Date March 6, 1987 Bill No. SB 312 Time 10:00 A.M.

NAME	YES	NO
SENATOR CRIPPEN		✓
SENATOR NEUMAN		✓
SENATOR SEVERSON	✓	
SENATOR LYBECK	✓	
SENATOR HAGER		✓
SENATOR MAZUREK		✓
SENATOR ECK	✓	
SENATOR BROWN	✓	
SENATOR HIRSCH		✓
SENATOR BISHOP	✓	
SENATOR HALLIGAN, VICE CHAIRMAN		✓
SENATOR McCALLUM, CHAIRMAN		✓

Aggie Hamilton  
Secretary

Senator George McCallum  
Chairman

Motion: Senator Brown's motion that SB 312 DO PASS.

The motion failed 5-7.

# STANDING COMMITTEE REPORT

March 6,

19.87

MR. PRESIDENT

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

having had under consideration..... **SENATE BILL** ..... No. **325** .....

first reading copy ( white )  
color

**ALLOW REDUCTION FROM MARKET VALUE FOR DEPRECIATION WHEN  
BASED ON CONST. COST**

Respectfully report as follows: That..... **SENATE BILL** ..... No. **325** .....

DO PASS

~~EGNEXRASSX~~

.....  
**SENATOR GEORGE McCALLUM,** Chairman.



# STANDING COMMITTEE REPORT

March 6, 1967

MR. PRESIDENT

## SENATE TAXATION

We, your committee on .....

having had under consideration..... **SENATE BILL** No. **66**

first reading copy ( white )  
color

### REDEFINE NEW PRODUCTION FOR PURPOSES OF THE NET PROCEEDS TAX ON OIL AND GAS

Respectfully report as follows: That..... **SENATE BILL** No. **66**

#### BE AMENDED AS FOLLOWS:

1. Title, line 3.  
Following: "PROVIDING"  
Insert: "A RETROACTIVE APPLICABILITY DATE AND AN IMMEDIATE"  
Following: "EFFECTIVE"  
Strike: "DATES"  
Insert: "DATE"
2. Page 1, line 19.  
Following: line 18  
Strike: "from any lease"
3. Page 1, lines 23 and 24.  
Following: "production" on line 23  
Strike: remainder of line 23 through "1986" on line 24  
Insert: "from any well that has not produced natural gas, petroleum,  
or other crude or mineral oil during the 5 years immediately  
preceding the first month of qualified new production"
4. Page 2, lines 11 through 15.  
Following: line 10  
Strike: section 3 in its entirety  
Insert: "NEW SECTION. Section 3. Applicability -- effective date.  
This act is effective on passage and approval and applies retro-  
actively, within the meaning of 1-2-199, to production of natural  
gas, petroleum, or other crude or mineral oil from any well after  
December 31, 1986."

#### AND AS AMENDED

DO PASS

CONNORASS

.....  
SENATOR GEORGE McCALLUM, Chairman.

# STANDING COMMITTEE REPORT

March 6 ..... 19 57

MR. PRESIDENT

We, your committee on ..... SENATE TAXATION .....

having had under consideration ..... SENATE BILL ..... No. 383

first reading copy ( white )  
color

## NEW PRODUCTION AND STRIPPER WELL EXEMPTION FROM NET PROCEEDS TAXES

Respectfully report as follows: That ..... SENATE BILL ..... No. 383

be amended as follows:

1. Title, line 9.

Strike: "24"

Insert: "12"

2. Page 9, line 13.

Strike: "24"

Insert: "12"

3. Page 22, line 8.

Strike: "24"

Insert: "12"

4. Page 22, line 14.

Strike: "24-month"

Insert: "12-month"

AND AS AMENDED

DO PASS

~~DO NOT PASS~~

.....  
SENATOR GEORGE McCALLUM, Chairman.

# STANDING COMMITTEE REPORT

March 6, 19 37

MR. PRESIDENT

We, your committee on SENATE TAXATION

having had under consideration SENATE BILL No. 342

first reading copy ( white )  
color

**EXEMPT ARMED FORCES PENSION BENEFITS FROM ADJUSTED GROSS INCOME**

Respectfully report as follows: That SENATE BILL No. 342

EXEMPT

DO NOT PASS

SENATOR GEORGE McCALLUM, Chairman.

# STANDING COMMITTEE REPORT

SB 340

March 25 6, 19 27.

MR. PRESIDENT

TARATION

We, your committee on.....

SENATE BILL

340

having had under consideration..... No.....

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white

reading copy ( )

color

## ELIMINATE TAX ON PRODUCER-HELD GRAIN IN STORAGE, LIVESTOCK, AND POULTRY

Respectfully report as follows: That..... SENATE BILL..... No. 340.....

BE AMENDED AS FOLLOWS:

1. Title, line 18.

Strike: "DELAYED"

Insert: "CONTINGENT"

2. Page 5, lines 14 and 15.

Following: "livestock" on line 14.

Strike: "number of bushels of grain."

3. Page 6, line 8.

Following: "livestock"

Strike: " and "

Insert: ", "

Following: " poultry "

Insert: " and bees"

4. Page 9, line 15.

Following: " taxes "

Insert: "and for the collection of tax pursuant to [section 10]"

5. Page 10, lines 9 through 12.

Following: "the" on line 9.

Strike: remainder of line 9 through "located" on line 12.

Insert: "board of livestock"

6. Page 13, line 14.

Strike: "each kind of"

DO PASS

DO NOT PASS

Chairman.

March ~~XX~~ 6, 19 87

7. Page 10, line 16.

Strike: "county assessor"

Insert: "board of livestock"

8. Page 10, line 17.

Following: "(1)"

Strike: "and forward"

Insert: ". The board of livestock shall compile"

9. Page 10, line 18.

Following: "information"

Strike: "to the board of livestock"

10. Page 10, line 20.

Following: "(3)"

Strike: "Upon notification of"

Insert: "after"

Following: "levy"

Insert: "is"

11. Page 10, line 21.

Following: "the"

Strike: "county assessor"

Insert: "board"

12. Page 11, lines 11 and 12.

Strike: "county assessor"

Insert: "board of livestock"

13. Page 11, line 14.

Following: "based on the"

Strike: "assessor's"

Insert: "board's"

14. Page 14, line 3.

Following: "of this part."

Insert: "The board of livestock shall provide the board of county commissioners of each county with the number of cattle in the county on January 1 for purposes of levying the tax specified in this section."

15. Page 14, line 17.

Following: "part."

Insert: "The board of livestock shall provide the board of county commissioners in each county with the number of cattle in the county on January 1 for purposes of implementing this section."

16. Page 15, line 5.

Following: "of this part."

Insert: "The board of livestock shall provide the board of county commissioners in each county with the number of cattle in the county on January 1 for purposes of implementing this section."

CONTINUED

March 22 6,

19 37

17. Page 18, line 12.

Following: "cheep"

Strike: "coming 1 year old or over"

18. Page 18, line 17.

Strike: "coming 1 year old or over"

19. Page 18, line 24.

Strike: "assessor"

Insert: "treasurer"

20. Page 21, line 1.

Strike: "is more than 9 months of age and"

21. Page 21, lines 7 and 8.

Following: "that" on line 7.

Strike: "is more than 9 months of age and"

22. Page 22, line 4.

Strike: "January 1, 1988"

Insert: "upon passage and approval of a bill providing replacement revenue for revenue decreases that result from this act"

AND AS AMENDED

DO PASS

.....  
 Senator McCollum