

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION**

#### **SUBCOMMITTEE ON PROPERTY TAX**

**Call to Order:** By **CHAIRMAN COHEN**, on February 20, 1991, at 8:07 AM

#### **ROLL CALL**

##### **Members Present:**

Rep. Dan Harrington, Chairman (D)  
Rep. Ben Cohen, Vice-Chairman (D)  
Rep. Ed Dolezal (D)  
Rep. Russell Fagg (R)  
Rep. David Hoffman (R)  
Rep. Ed McCaffree (D)  
Rep. Ted Schye (D)  
Rep. Fred Thomas (R)

##### **Members Excused:**

Rep. Orval Ellison (R)  
Rep. Mark O'Keefe (D)  
Rep. Dave Wanzenried (D)

**Staff Present:** Lee Heiman, Legislative Council  
Julia Tonkovich, Committee Secretary

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

#### **HEARING ON HB 398**

**REP. THOMAS** said HB 398 increases the maximum credit available to the elderly.

**REP. COHEN** said the elderly tax credit and the low income tax credit are the only credits available on property tax. **Judy Ripplingale, Department of Revenue (DOR)** clarified the existing credit system. The low income property tax credit must be applied for by March 1. This reduces property tax according to current income. The elderly tax credit is applied against either property tax or renter's credit that has already been paid; if an applicant qualifies, a portion of those payments will be paid back.

**REP. THOMAS** asked if the income tax system changes this session to a percentage of gross, or a net tax, this would continue as a credit if all the deductions are wiped out. **Mr. Heiman** said

theoretically, the credits will work with a flat tax.

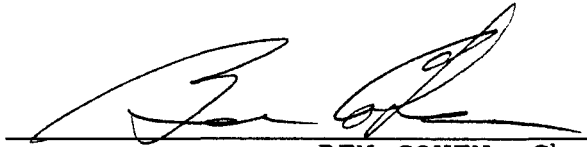
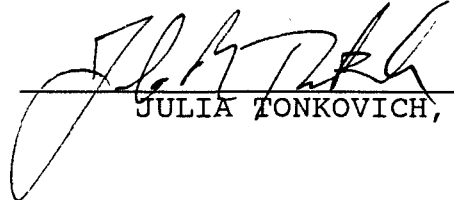
REP. THOMAS recommended the chairman hold the bill until later in the session due to the cost (\$600,000). REP. HOFFMAN, REP. MCCAFFREE agreed.

REP. COHEN said HB 398 will be discussed with REP. LEE's bill.

NO ACTION TAKEN.

ADJOURNMENT

Adjournment: 8:36 AM

  
BEN COHEN, Chair  
JULIA TONKOVICH, Secretary

BC/jmt

HOUSE OF REPRESENTATIVES

PROPERTY TAX SUBCOMMITTEE

ROLL CALL

DATE

2/20/91

NAME	PRESENT	ABSENT	EXCUSED
REP. BEN COHEN, VICE-CHAIR	X		
REP. ED DOLEZAL	X		
REP. ORVAL ELLISON			X
REP. RUSSELL FAGG	X		
REP. DAVID HOFFMAN	X		
REP. ED MCCAFFREE	X		
REP. MARK O'KEEFE			X
REP. TED SCHYE	X		
REP. FRED THOMAS	X		
REP. DAVE WANZENRIED			X
REP. DAN HARRINGTON, CHAIRMAN			