

MINUTES

MONTANA SENATE 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By Senator Mike Halligan, Chairman, on April 5, 1991, at 8:00 a.m.

ROLL CALL

Members Present:

Mike Halligan, Chairman (D)
Dorothy Eck, Vice Chairman (D)
Robert Brown (R)
Steve Doherty (D)
Delwyn Gage (R)
John Harp (R)
Francis Koehnke (D)
Gene Thayer (R)
Thomas Towe (D)
Van Valkenburg (D)
Bill Yellowtail (D)

Members Excused: None

Staff Present: Jeff Martin (Legislative Council).

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

Announcements/Discussion: None

HEARING ON HOUSE BILL 856

Presentation and Opening Statement by Sponsor:

Rep. Foster, District 32, presented the bill to the committee as per Exhibit #1. The bill concerns the tax exemption cable television customers can receive if they do not receive a signal from a television translator.

Proponents' Testimony:

Rep. Wanzanried, District 7, said the intent of the law was to allow customers an exemption from the tax if they could not receive the signal on which the tax was paid. In the past few years, cable companies have come into areas where there are rural

television districts and are using the translators. Those customers are receiving the signal through the cable company, albeit indirectly. They should be paying the tax which supports the translator. He urged the committee to support the bill which tightens up the exemption language.

Norman Voldseth, Trustee, MARLO TV District, presented his testimony in support of the bill (Exhibit #2).

Vance Raines, Valier TV District, urged the committee to give the bill a "Do Pass". He said the bill is most important in rural areas that depend on television for news and election information.

Mickey Murray, TCI, Highline area of Montana, presented his testimony in support of the bill Exhibits #3 and #3a).

Tom Harrison, Montana Cable Television, expressed support for the bill and suggested a brief amendment on page 2 (Exhibit #4). It would clarify that if the cable system is using, directly or indirectly, the signal broadcast by the translator district as its source, the people would not be exempt.

Don McClain, Pondera County, expressed support for the bill.

Opponents' Testimony:

There were no opponents.

Questions From Committee Members:

Senator Gage asked if the cable companies will notify customers that they are eligible for the exemption.

Wes Huffman, Great Falls Telecommunications, Inc., said the tax is noted on the customers bill.

Senator Gage asked how the exemption would be repealed if there are people who get it now and this legislation repeals it.

Mr. Huffman said the county assessor would have to notify the customers.

Closing by Sponsor:

Rep. Foster closed .

EXECUTIVE ACTION ON HOUSE BILL 856

Amendments, Discussion, and Votes:

Senator Towe moved to amend the bill as per Exhibit #4.

The motion CARRIED unanimously.

Recommendation and Vote:

Senator Towe moved HB 856 Be Concurred In As Amended.

The motion CARRIED unanimously.

HEARING ON HOUSE BILL 894

Presentation and Opening Statement by Sponsor:

Representative Kimberley, District 90, said the bill provides for a tax credit for contributions made to the general endowment funds of the Montana university system foundations as well as private Montana colleges or their foundations. The tax credit is limited to \$500.

Proponents' Testimony:

Ken Heikes, Board of Regents, said the university system is drastically underfunded. The Education Commission of the 90's and Beyond recommended the tax credit as it has been quite successful in other states. The credit is limited to \$500 and there is a sunset provision in the bill. He said this could be a major stimulus for fund raising campaigns for the universities and colleges in the state.

Kirk Lacey, Associated Students of Montana, said this bill paves the way for funding of projects that are in dire need of money. Scholarships and research could benefit from the funds. He said the bill provides incentives for private contributions to all higher education units in the state.

Opponents' Testimony:

There were no opponents.

Questions From Committee Members:

Senator Halligan asked about the refundable credit versus the non-refundable credit reference in the fiscal note.

Ken Morrison replied the credit was not intended to be refundable.

In response to a question by Senator Towe, Rep. Kimberley said community colleges with an endowment program would qualify under this bill.

Closing by Sponsor:

Rep. Kimberley closed.

EXECUTIVE ACTION ON HOUSE BILL 894

Amendments, Discussion, and Votes:

Senator Towe moved to amend the bill on page 2, line 2, following "\$500." by inserting "The credit allowed under this section may not exceed the taxpayer's income tax liability."

The motion CARRIED unanimously.

Recommendation and Vote:

Senator Towe moved HB 894 Be Concurred In As Amended.

The motion CARRIED with Senator Gage voting no.

HEARING ON HOUSE BILL 677

Presentation and Opening Statement by Sponsor:

Representative Benedict, District 64, presented the bill as per Exhibit #5.

Proponents' Testimony:

Gordon Morris, Montana Association of Counties, expressed support for the bill.

Opponents' Testimony:

There were no opponents.

Questions From Committee Members:

There were no questions.

Closing by Sponsor:

Rep. Benedict closed.

EXECUTIVE ACTION ON HOUSE BILL 677

Recommendation and Vote:

Senator Brown moved HB 677 Be Concurred In.

The motion CARRIED unanimously.

HEARING ON HOUSE BILL 518

Presentation and Opening Statement by Sponsor:

Representative Messmore, District 38, said the bill is an extension of the 1979 legislation relating to public property taxpayer information. The bill mandates a public hearing before a taxing authority can tax beyond the property tax revenues of the previous year and before adopting a budget including the increased tax revenue. An advertised public notice of the hearing must be made and how it must be advertised.

Proponents' Testimony:

Chuck Walk, Executive Director, Montana Newspaper Association, presented his testimony in support of the bill (Exhibit #6). He also presented a copy of a notice as it would now appear in the paper as opposed to the small notice in the legal section (Exhibit #7).

Dennis Burr, Montana Taxpayers Association, said this bill clarifies the notice provision. It does not require any additional hearings. He supported the bill.

Mike Voeller, Lee Enterprises, expressed support for the bill.

James Tutwiler, Montana Chamber of Commerce, expressed support for the bill saying public and private economic development agencies will benefit from the public notice.

Fred Patten, AARP, expressed support for the bill.

Opponents' Testimony:

There were no opponents.

Questions From Committee Members:

Senator Eck asked if there is additional expense to the county under the provisions of the bill.

Mr. Morris replied the bill's provisions fit into the time frame for county budgets. He said he had researched it and was comfortable with the bill.

Senator Halligan suggested the school revenue be treated separately as it is on the state and federal level.

Rep. Messmore agreed.

Senator Thayer asked if this bill gives authority to the local taxing jurisdiction to raise taxes.

Both Mr. Burr and Mr. Morris responded this does not in any way affect Il05 or the budget authority.

Closing by Sponsor:

Rep. Messmore closed by saying this bill strengthens existing law and gives people the opportunity to comment on their taxes. She urged the committee to pass the bill.

HEARING ON HOUSE BILL 617

Presentation and Opening Statement by Sponsor:

Representative Ream, District 54, said the statement of intent describes the bill well. He presented a summary of the bill (Exhibit #8).

Proponents' Testimony:

There were no proponents.

Opponents' Testimony:

There were no opponents.

Questions From Committee Members:

Senator Towe asked Mr. Adams if there was an ambiguity where the deduction is in the form of a definition rather than a deduction as such.

Mr. Adams said there probably is, however, this is an evolving process. It will be a matter of determining what material is really meaningful to the Tax Committees versus so much that it cannot even be comprehended. He said he would like some guidance as to what the legislature considers appropriate for their decision-making process. As for the definition/deduction issue, Mr. Adams felt it should be clarified so that the committees aren't expecting one thing and DOR is providing another.

Senator Gage asked what the "accompanying document" is that is referred to in the fiscal note.

Steve Bender, Office of Budget and Program Planning, presented a copy of the document to the committee (Exhibit #9).

Senator Gage asked if there will be a lot of new software needed and, if so, what would be the cost.

Mr. Adams replied he did not think there would be any need for new software. They already have the information; it just needs to be extracted and captured.

Closing by Sponsor:

Rep. Ream said this bill is good public policy and especially so for Montana where the legislature meets only every other year. It is not intended to be a partisan issue, but rather one developed with a great deal of input from DOR to enhance and facilitate the legislative process.

HEARING ON HOUSE BILL 947

Presentation and Opening Statement by Sponsor:

Rep. McCaffree, District 27, said the bill establishes a minimum tax of \$5 and is introduced at the request of the County Treasurers Association. Some tax bills are as low as 17 cents and 69 cents. The Treasurers only want to recoup the cost of the tax billing process and establish a minimum \$5 charge so they do not have tax bills that are costing the counties money to collect.

Proponents' Testimony:

There were no proponents.

Opponents' Testimony:

There were no opponents.

Questions From Committee Members:

There were no questions.

Closing by Sponsor:

Rep. McCaffree closed.

EXECUTIVE ACTION ON HOUSE BILL 947

Recommendation and Vote:

Senator Towe moved HB 947 Be Concurred In.

The motion CARRIED unanimously.

EXECUTIVE ACTION ON HOUSE BILL 901

Amendments, Discussion, and Votes:

Andy Poole, Department of Commerce, presented proposed amendments (Exhibit #10) which would address the tax credit funding loophole. His explanation is included in Exhibit #10.

Senator Van Valkenburg moved to adopt amendment# 1 as contained in Exhibit #10.

The motion CARRIED unanimously.

Senator Towe moved to adopt amendment #2 with a correction as noted in Exhibit #10, striking "subject to such penalty" and inserting "included in (b) of this subsection".

Mr. Poole said 90-8-301 outlines the criteria for the time periods which must be met. He felt the language in the bill is compatible with that in 90-8-301.

Senator Towe's motion to adopt amendment #2 CARRIED unanimously.

Senator Gage asked if a statement of intent is needed.

Mr. Poole said Greg Petesch of Legislative Council had indicated no fiscal note is needed.

Jeff Martin provided amendments which would coordinate the bill with HB 863 (Exhibit #11).

Senator Towe moved amendment #2, Exhibit #11.

The motion CARRIED unanimously.

Recommendation and Vote:

Senator Thayer moved HB 901 Be Concurred In As Amended.

The motion CARRIED unanimously.

EXECUTIVE ACTION ON SENATE BILL 55

Recommendation and Vote:

Senator Towe moved to TABLE SB 55.

The motion CARRIED with Senators Thayer, Gage, and Harp voting no.

EXECUTIVE ACTION ON SENATE BILL 339

Recommendation and Vote:

Senator Towe moved SB 339 be TABLED.

The motion CARRIED with Senator Doherty voting no.

EXECUTIVE ACTION ON SENATE BILL 373

Recommendation and Vote:

Senator Towe moved SB 373 be TABLED.

The motion CARRIED with Senators Thayer, Harp, and Gage voting no.

EXECUTIVE ACTION ON SENATE BILL 467

Recommendation and Vote:

Senator Towe moved SB 467 be TABLED.

The motion CARRIED unanimously.

EXECUTIVE ACTION ON SENATE BILL 470

Recommendation and Vote:

Senator Towe moved SB 470 be TABLED.

The motion CARRIED unanimously.

EXECUTIVE ACTION ON HOUSE BILL 446

Recommendation and Vote:

Senator Gage moved HB 446 Be Concurred In.

The motion CARRIED unanimously.

EXECUTIVE ACTION ON HOUSE BILL 441

Amendments, Discussion, and Votes:

Senator Towe moved to amend the bill on page 8, line 22, following "have" by inserting "not".

The motion CARRIED unanimously.

Senator Towe moved to amend page 12, line 22, following "required" by inserting "by law".

The motion CARRIED unanimously.

Recommendation and Vote:

Senator Towe moved HB 441 Be Concurred In As Amended.

The motion CARRIED unanimously.

EXECUTIVE ACTION ON HOUSE BILL 386

Recommendation and Vote:

Senator Eck moved HB 386 Be Concurred In.

Senator Harp objected to the motion saying in two years we will back asking for three to four cents to continue the reconstruction trust fund which will sunset in 1993. In addition, there are currently other bills in this session which seek gas tax money. Senator Harp said secondary roads are already getting money for repair and maintenance.

The motion CARRIED.

EXECUTIVE ACTION ON HOUSE BILL 334

Discussion:

Senator Towe said he was concerned that a person pays his tax on a cow on March 1, and the cow dies March 2, the person is just out his tax payment. He further was concerned that if cattle are moved before the March 1 deadline, no tax has to be paid at all.

Senator Gage referred to the language re proration on page 2, lines 8-15. He felt that would take care of that problem.

Senator Doherty asked if the livestock owner would get a refund if he moved his cattle to Idaho and there is no tax in Idaho.

Senator Halligan replied the owner would only pay the tax for the time the cattle are in Montana.

Recommendation and Vote:

Senator Towe moved HB 334 Be Not Concurred In.

The vote was left open.

EXECUTIVE ACTION ON HOUSE BILL 518

Amendments, Discussion, and Votes:

Senator Yellowtail moved to amend page 2, line 23, by striking "tax" and inserting "budget".

Senator Towe made a substitute motion to amend page 2, line 23, by striking "tax", inserting "budget", and following "increase", inserting "from property taxes".

The motion CARRIED with Senator Thayer voting no.

Senator Towe moved to amend page 1, line 17, following "No" by inserting "local".

The motion CARRIED unanimously.

Senator Halligan moved to reinsert the stricken language on page 1 as per amendment #3 on the attached standing committee report.

The motion CARRIED with Senator Thayer voting no.

Recommendation and Vote:

Senator Eck moved HB 518 Be Concurred In As Amended.

The motion CARRIED with Senators Halligan, Harp, and Gage voting no.

EXECUTIVE ACTION ON HOUSE BILL 617

Recommendation and Vote:

Senator Doherty moved to TABLE HB 617. The Taxation Committee would then submit a study resolution to have the Revenue Oversight Committee review the provisions in the bill for further recommendation.

The motion CARRIED.

ADJOURNMENT

Adjournment At: 11:40 a.m.



SENATOR MIKE HALLIGAN, Chairman



JILL D. ROHYANS, Secretary

MH/jdr

ROLL CALL

SENATE TAXATION COMMITTEE

DATE 11/5/91

LEGISLATIVE SESSION

| NAME | PRESENT | ABSENT | EXCUSED |
|---------------------|---------|--------|------------------|
| SEN. HALLIGAN | X | | |
| SEN. ECK | X | | |
| SEN. BROWN | X | | |
| SEN. DOHERTY | X | | |
| SEN. GAGE | X | | |
| SEN. HARP | X | | |
| SEN. KOEHNKE | X | | |
| SEN. THAYER | X | | |
| SEN. TOWE | X | | |
| SEN. VAN VALKENBURG | X | | X - 11/5/91 9:50 |
| SEN. YELLOWTAIL | X | | |
| | | | |
| | | | |
| | | | |
| | | | |

Each day attach to minutes.

DATE 7/5/91
COMMITTEE ON Senate Taxation
HB 617, 856, 894, 677, 518, 947

VISITORS' REGISTER

[illegible]

(Please leave prepared statement with Secretary)

ROLL CALL VOTE

SENATE COMMITTEE ON TAXATION

Date 4/5/91 House Bill Bill No. 334 Time

| NAME | YES | NO |
|---------------------|----------|----------|
| SEN. HALLIGAN | | <i>x</i> |
| SEN. BROWN | <i>x</i> | |
| SEN. ECK | <i>x</i> | |
| SEN. GAGE | | <i>x</i> |
| SEN. VAN VALKENBURG | | <i>x</i> |
| SEN. HARP | | <i>x</i> |
| SEN. YELLOWTAIL | <i>x</i> | |
| SEN. THAYER | | <i>x</i> |
| SEN. TOWE | <i>x</i> | |
| SEN. KOEHNKE | | <i>x</i> |
| SEN. DOHERTY | <i>x</i> | |
| | | |

Bill Rogers
Secretary

Sen. Mike Halligan
Chairman

Motion: *By Senate Rule that H.B. 334*
Be read Enrolled

ROLL CALL VOTE

SENATE COMMITTEE ON TAXATION

Date 4/5/91 Roll Call Bill No. 386 Time

| NAME | YES | NO |
|---------------------|-----|----|
| SEN. HALLIGAN | X | |
| SEN. BROWN | X | |
| SEN. ECK | X | |
| SEN. GAGE | | X |
| SEN. VAN VALKENBURG | X | |
| SEN. HARP | | X |
| SEN. YELLOWTAIL | | X |
| SEN. THAYER | | X |
| SEN. TOWE | X | |
| SEN. KOEHNKE | | X |
| SEN. DOHERTY | X | |
| | | |

Bill Rhyans
Secretary

Sen. Mike Halligan
Chairman

Motion: By Senate Clerk that HB 386 be
passed on

TESTIMONY - HB 856
ELIMINATING EXEMPTION FOR TV TAX DISTRICT
APRIL 5, 1991
BEFORE THE SENATE TAXATION COMMITTEE

Rep. Mike Foster

HB 856 ADDRESSES A SERIOUS PROBLEM OUR TV DISTRICTS ARE NOW FACING. CURRENT LAW SAYS THAT IF YOU DO NOT RECEIVE A SIGNAL FROM A TV TRANSLATOR, THEN YOU CAN SEEK EXEMPTION FROM THE PAYMENT OF THE TAX TO THE LOCAL TV DISTRICT, A TAX WHOSE PURPOSE IS TO SUPPORT THE COSTS OF PROVIDING THAT LOCAL SIGNAL. THE FILING OF THESE EXEMPTIONS BY CABLE TV CUSTOMERS IS RAPIDLY ERODING THE REVENUE BASE FOR TV DISTRICTS TO THE POINT WHERE GREAT FINANCIAL HARM IS OCCURRING.

CABLE TV COMPANIES USE LOCAL TRANSLATOR SIGNALS AS A PROGRAM SOURCE FOR THEIR CUSTOMERS, BUT THEIR CUSTOMERS WHO FILE THE EXEMPTIONS DO NOT CONTRIBUTE TO THE FINANCIAL SUPPORT OF TRANSLATORS. NOT ONLY DOES THE CABLE CUSTOMER HAVE THE BENEFIT OF THE TRANSLATOR SIGNAL THROUGH THE CABLE COMPANY, BUT THAT CUSTOMER CAN ALSO PICK UP THE TRANSLATOR SIGNAL BY USING THE "RABBIT EARS" ON ANY TV SET IN THE HOUSE.

THE NET EFFECT IS THAT THE PEOPLE WHO ARE RECEIVING THE BENEFITS OF THE SIGNAL FROM THE LOCAL TV TRANSLATOR ARE NOT PAYING FOR ITS COSTS BY FILING FOR THIS EXEMPTION FROM THE TV DISTRICT TAX.

HOUSE BILL 856 ELIMINATES THIS EXEMPTION SO THAT THOSE WHO ARE BENEFITTING FROM THE LOCAL TRANSLATOR SIGNAL WILL SHARE THE COST OF MAINTAINING THE TRANSLATOR, WHICH IS ONLY FAIR. HOUSE BILL 856 WILL ALLOW THE LOCAL TV DISTRICTS TO SURVIVE AND CONTINUE TO PROVIDE A TRANSLATOR SIGNAL TO OUR COMMUNITIES.

I am Norman Voldseth of Martinsdale MT. I am a trustee of the TV District which includes all of Wheatland County and the east portion of Meagher County.

Our area, like many other rural areas, depends on TV translators to relay television signals from primary stations to our homes.

Costs of construction and maintenance of translator stations are taken care of by creation of TV tax districts. Taxing users of translator signals is a fair way of raising necessary funds.

Some Cable systems own and operate their own Translators and do not use Tax District signals; with them we have no complaint. However, some Cable systems make use of Tax District signals to "head end" their systems and SELL the Tax District signals to their SUBSCRIBERS. Here-in lies our complaint.

Present law provides an exemption from tax for cable subscribers even tho the Cable Company uses Tax District signals. This exemption results in a loss of operating revenue to the Translator District, and an increase in tax to those remaining who are not exempt.

HB 856 will correct this inequity and ensure that everyone using translator signals, either directly or indirectly, will pay their fair share toward support of the Translator Stations.

To be fair, the TV District tax should be paid by all who are benefitted by the Translator signals. In the case of Cable users, the tax is an obligation of the user and not of the Cable Company.

The fact that Cable subscribers in a few TV Tax Districts do not apply for the tax exemption is irrevelant. It indicates that they recognize their moral obligation to support the Translator station, when the Cable Company uses the translator signals.

Passage of HB 856 will provide the changes needed to ensure fair support by all users for funding Translator districts.

I urge a favorable report and passage of HB 856.

State General Office
951 Custer Avenue
Post Office Box 4669
Helena, Montana 59604
(406) 449-8980

SENATE TAXATION

EXHIBIT NO. 3
DATE 1/5/91
BILL NO. HB 856

TCI Cablevision of Montana, Inc.

Senator Dorothy Eck
Chairman Senate Taxation Committee
52nd Montana Legislature

Dear Senator Eck:

I would like to make a couple of comments regarding HB 856, the TV Translator Taxpayer Exemption Bill.

My concern is that in Section C of HB 856, the language is too vague regarding who would be entitled to claim an exemption. My intent is not to deny the tax district the right to tax the subscriber of a community antenna system that directly uses the transmission of TV translator district, but to protect the right of taxpayers who are subscribers of a community antenna system that has installed alternative ways of receiving TV signals.

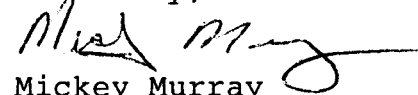
For example, in the communities of Chinook, Harlem, Malta and Glasgow there is confusion in local Assessors Offices as to who has the right to file an exemption to the local tax district. In these four communities, the local cable system has installed an extensive microwave system to provide local TV stations that are of good quality and reliability for their customers. The tax district boards still feel these taxpayers should not be exempt because these are the same signals that they carry local translator. In this case, the taxpayer is being asked to subsidize something he does not use.

The best thing to do would be to amend Section "C" to clarify who would be entitled by changing the wording to say (c) The taxpayer (i) does not receive the translator signal directly but receives service through the medium of a community antenna system ^{and} does not directly use the signal transmitted by the television district as its source.

By approving this wording, it would clarify that if the community antenna system did not use the translator district as its source, the taxpayer would be exempt.

Thank you for your time and consideration in this matter.

Sincerely,



Mickey Murray
General Manager
Chinook, Harlem & Malta



SENATE TAXATION

EXHIBIT NO. 34DATE 4/5/91BILL NO. HB 856MONTANA CABLE TELEVISION ASSOCIATION

| CITY | TRANSLATOR | TAX DIST | COMMENTS |
|----------------|------------|----------|-------------------------|
| ABEARDKEE | YES | NO | VOLUNTARY - DCH-CHIEF |
| ALBERTON | NO | | |
| ANACONDA | NO | | |
| ARLEE | NO | | |
| ASHLAND | NO | | |
| BAKER | YES | YES | 2 CHANNELS |
| BIG FLAT | NO | | |
| BIG FORK | YES | NO | 1 CHANNEL STATION OWNED |
| BIG SANDY | YES | YES | 50 SH STATION OWNED |
| BIG TIMBER | YES | YES | |
| BILLINGS | NO | | |
| BLACK EAGLE | NO | | |
| BONNER | NO | | |
| BOULDER | YES | YES | \$2.00 PER HOUSEHOLD |
| BOZEMAN | YES | NO | 1 CH STATION OWNED |
| BROADUS | NO | | |
| BUTTE | NO | | |
| CASCADE | NO | | |
| CHINOOK | NO | | |
| CHOTEAU | NO | | |
| CLINTON | NO | | |
| COLUMBIA FALLS | YES | NO | 1 CH STATION OWNED |
| COLUMBIA HGTS | YES | NO | 1 CH STATION OWNED |
| COLUMBUS | NO | | |
| CONRAD | YES | YES | 1 STATION 1 DISTRICT |
| CUT BANK | NO | | |
| DEER LODGE | NO | | |
| DILLON | NO | | |
| FARFIELD | NO | | |
| FERNDALE | YES | NO | 1 CH STATION OWNED |
| FINLEY POINT | NO | | |
| FLORENCE | NO | | |
| FORSYTH | YES | YES | |
| FORT BENTON | NO | | |
| FRENCH TOWN | NO | | |
| GLASGOW | NO | | |
| GLENDIVE | | | |
| GRANT CREEK | NO | | |
| GREAT FALLS | NO | | |
| HAMILTON | NO | | |
| HARDIN | YES | NO | STATION OWNED |
| HARLEM | NO | | |
| HARLTON | YES | YES | 350 SUBS - 5 EXCH. |
| HAVER | NO | | |
| HELENA | YES | NO | 1 CH STATION OWNED |
| HUSSEIN | NO | | |
| KALISPELL | YES | NO | 1 CH STATION OWNED |
| LAKE SIDE | YES | NO | 1 CH STATION OWNED |
| LAUREL | NO | | |
| LEWISTOWN | NO | | |
| LIBBY | YES | \$17.70 | NO |
| LIVINGSTON | YES | NO | NO |
| | | | VOL DONATION SYS PAYS |
| | | | 2 CH STATION OWNED |

Ex. 3.11.
4-8-91
H13551.

MONTANA CABLE TELEVISION ASSOCIATION

| CITY | TRANSLATOR | TAX DIST | COMMENTS |
|----------------|------------|----------|-------------------------|
| LOLO | NO | | |
| MALTA | NO | | |
| MANHATTAN | YES | NO | 1 CH STATION OWNED |
| MELSTONE | NO | | |
| MILES CITY | YES | NO | 1 CH STATION OWNED |
| MILLTOWN | NO | | |
| MISSOULA EAST | NO | | |
| MISSOULA RAT. | NO | | |
| MISSOULA | NO | | |
| PABLO | NO | | |
| PARK CITY | NO | | |
| PULSON | NO | | |
| RED LODGE | NO | | |
| RONAN | NO | | |
| ROUNDUP | NO | | |
| RYEGATE | YES | YES | 50 SUBS. 2 EXPR. |
| SEELEY LAKE | NO | | |
| SHELBY | NO | | |
| SIDNEY | YES | NO | 2 CH STATION OWNED |
| SOMMERS | YES | NO | 1 CH STATION OWNED |
| STEVENSVILLE | NO | | |
| SUPERIOR | NO | | |
| SWAN LAKE | YES | NO | 1 CH STATION OWNED |
| THOMPSON FALLS | YES | YES | \$17.00/CH. NO EXPR. |
| TOWNSEND | YES | YES | \$11.00 PER YEAR |
| TROY | YES | NO | VOL. DONATION \$45. PER |
| VAUGHN | NO | | |
| VICTOR | NO | | |
| WEST SHORE | NO | | |
| WHITEFISH | YES | NO | 1 CH STATION OWNED |
| WOLF POINT | YES | YES | SYSTEM AGRM. NO EXPR. |

TOTAL SYSTEMS 83

SYSTEMS/TRANSLATOR 30

TRANSLATORS/TAX DIST 11

SENATE TAXATION

EXHIBIT NO. 4

DATE 4/5/91

BILL NO. HB 856

AMEND HOUSE BILL 856

1. Page 2, Line 8:
Following: "district"
Delete ";"
Insert: "as its source;"



The Big Sky Country

SENATE JOURNAL 5
EXHIBIT NO. 5
DATE 4/5/91
BILL NO. HB 677

MONTANA HOUSE OF REPRESENTATIVES

REPRESENTATIVE STEVE BENEDICT

HELENA ADDRESS:
CAPITOL STATION
HELENA, MONTANA 59620

HOME ADDRESS:
P.O. BOX 668
HAMILTON, MONTANA 59840

COMMITTEES:
BUSINESS & ECONOMIC DEVELOPMENT
EDUCATION
LABOR

April 4, 1991

NARRATIVE FOR HB 677: SPONSOR STEVE BENEDICT

The bill I have for your consideration today is to support at the county level the Adult Literacy Volunteer programs that exist in Montana. These Adult Literacy programs lead a very precarious life and face constant funding difficulties for such necessities as office space, copying, telephone service, postage, and the small staff needed to coordinate the volunteers and assure continuity. Helping adult Montanans who have never learned to read is one of the best investments we can make in people. While Montana ranks very high in the percentage of high school completion, over 6,000 adult Montanas have never completed the fourth grade, and over 58,000 adult Montanans have not completed eighth grade. Many of the adult literacy programs in this state have been helped along with grants and federal programs that are becoming difficult, if not impossible, to obtain. This bill would provide the option to the counties to levy up to one mill in support of these Adult Literacy programs subject to the provisions of I-105, the property tax freeze. I ask for your favorable consideration of House Bill 677 and will answer any questions you might have.

HB 518 (Messmore)
Senate Taxation Committee
April 5, 1991, 8 a.m.

Mr. Chairman, members of the committee, for the record my name is Chuck Walk. I am Executive Director of the Montana Newspaper Association, which represents 75 Montana newspapers, including all 11 daily and 64 weekly newspapers across the state.

I rise in support of HB 518.

We believe HB 518 is an innovative and totally reasonable method of alerting Montanans about an important steps in the area of property taxation.

The bill promotes public disclosure in a very sensitive area. In that regard it may buck a trend which seems to have invaded Montana in recent years and that may make it appear unusual to some people.

It is not a punitive measure. It is not a proposal which places undue financial or staff burden on the taxing authority, particularly considering the important message it transmits.

For example, it permits the taxing authority to conduct the public hearing outlined in conjunction with other hearings and meetings it must hold by law. And the advertisement mandated by the bill would take up less than 2 inches of space set in the accepted legal advertisement style and type size.

We wholeheartedly support HB 518 and urge the committee to give it a "do pass."

EXHIBIT NO. 7
DATE 4/5/91
BILL NO. HA 518

NOTICE OF TAX INCREASE

The Clearwater County Board of Commissioners intends to budget an increase in revenue from property taxation by 8 percent.

All concerned persons are invited to attend a public hearing on budgeting the increased property tax revenue to be held on April 15, 1991 at the Clearwater County Courthouse.

A decision on budgeting the increased property tax revenue will be made after considering comments made at this hearing.

For further information, please contact:
Alice Henry, chairperson, Clearwater County
Board of Commissioners, Clearwater County
Courthouse, Headwaters MT 59000. Ph 555-555

HB617 TAX EXPENDITURE REPORTING

HB617 would require the Department of Revenue to provide the Office of Budget and Program Planning with detailed data pertaining to tax expenditure items associated with Title 15, Chapters 31, 32, 33, 35, 36, 37, 38, 50, 51, 53, 54, 55, 56, 57, 58, 59, 65, and 70.

It is assumed that "tax expenditure" applies in the usual and customary sense of the word. That is, tax expenditures pertain to provisions of the tax code that provide for special exclusions, exemptions, deductions, credits, deferrals, or preferential tax rates that result in foregone revenue.

In this sense of the term, tax expenditures do not include any deductions that businesses, firms, or individuals are allowed as a result of expenses associated with the ordinary course of business. For example, deductions by businesses for labor, insurance, materials, supplies, certain taxes, etc. are expenses associated with the ordinary course of business, and are not considered to be tax expenditures.

Given this understanding, this bill would require the reporting of information on the following tax expenditures:

Chapter 31 - Corporation License or Income Tax

See the attached list of tax expenditures taken from the Department of Revenue's Tax Expenditure Report.

Chapter 32 - Energy-Related and Ecological Tax Incentives

1. Deduction from income (corporations) for a portion of capital expenses related to energy conservation (MCA, 15-32-103).
2. Credit (individuals) for investment in energy conservation (MCA, 15-32-201).
3. Credit (individuals) for installation of non-fossil energy systems (MCA, 15-32-201).
4. Deduction from income (individuals and corporations) for expenditures for organic fertilizers produced and used in Montana (MCA 15-32-303).
5. Credit (individuals and corporations) for investment in wind-generated electricity (MCA, 15-32-402)

Chapter 33 - Small Business Investment Incentives

6. Exemption for capital gains and dividends realized from an investment in a small business investment corporation (MCA, 15-33-106).

Sp 119

Chapter 35 - Coal Severance Tax

7. Exemption from tax for up to the first 50,000 tons of coal produced (MCA, 15-35-103).
8. New coal production incentive tax credit (MCA, 15-35-201, et.seq.).

Chapter 36 - Oil and Gas Severance Tax

9. Tax exemption of first 30 MCF of gas stripper production (MCA, 15-36-121).
10. Reduced rate on gas stripper production in excess of 30 MCF (MCA, 15-36-121).
11. Reduced rate on incremental production from tertiary recovery processes (MCA, 15-36-101).

Chapter 37 - Mining License Taxes

12. Reduced rate on metal mines gross value of production less than \$250,000 (MCA, 15-37-103).

Chapter 38 - Resource Indemnity Trust Tax

13. Exemption from RITT for persons who have paid the metalliferous mines license tax.

Chapter 50 - Public Contractor's Fees and Tax

14. Credit against individual income or corporation license tax for additional license tax imposed under 15-50-205, MCA (MCA, 15-50-207).
15. Credit against license fees required in 15-50-205, for personal property taxes paid (MCA, 15-50-207).

Chapter 70 - Gasoline and Vehicle Fuels Taxes

16. Refund of gasoline or special fuel taxes for off-road uses (MCA 15-70-221 and 15-70-328).
17. Tax credit on production of alcohol blended with gasoline (MCA, 15-70-522).

C.F. H. 7-11 09

There are no tax expenditures associated with Chapters 51, 53, 54, 55, 56, 57, 58, 59, and 65.

There is a total of 46 tax expenditures associated with the chapters outlined in the bill (29 associated with the corporation license tax, and the 17 listed above). Of these, 39 are currently being reported in the department's Tax Expenditure Report.

Clearly, the majority of the reporting would pertain to expenditure items associated with the corporation license tax. If the bill addressed only revenue foregone from these items there would little additional administrative expense. Currently, estimates for most of the corporation tax expenditures are derived by allocating a portion of the federal tax expenditure to Montana. Federal tax expenditures are published annually by the staff of the federal Joint Tax Committee.

However, the bill requires that the department provide information for a 5-year period on the actual amount deducted for each expenditure item, in addition to the revenue impact. Currently, very little information is key punched from corporation license tax returns. To obtain the level of detail required in the bill would require the development and implementation of an entirely new corporation license tax data retrieval system.

The costs of implementing such a system are detailed in the fiscal note for HB 617.

AMENDMENT TO HOUSE BILL 901
Third Reading Copy (Blue)Prepared by the Department of Commerce
April 4, 1991

1. Page 2, line 25,
Following: "project"
Insert: "unless the department determines that the
investment furthers the purpose of this chapter"

REASON: This amendment is intended to allow the Department of Commerce to consider investments which replace existing sources of equity or debt financing as qualified investments under certain circumstances. An example might include a situation where a business is on the brink of failure and the infusion of new equity capital which replaces debt financing would give the company new life. The department would adopt rules defining circumstances under which the use of tax credit funds would be acceptable in replacing existing financing.

AMENDMENT TO HOUSE BILL 901
Third Reading Copy (Blue)Prepared by the Department of Commerce
April 4, 1991

2. Page 9, line 5,
Following: "investments."
Insert: "(1)"

Page 9, line 11,
Strike: "INVESTOR"
Insert: "company"

Page 9, following line 12,
Insert: "(2) If a capital company does not invest its capital base in accordance with section 90-8-301 and has paid or otherwise distributed funds to an investor or subsequent holder of the investment, the department of revenue may recover from the person receiving the distributed funds a penalty in an amount not to exceed the lesser of (a) the amount of the tax credit received by the original investor or (b) the amount of funds paid or otherwise distributed to the investor or the subsequent holder of the investment. Dividends or distributions made in accordance with applicable law shall not be subject to such penalty unless the capital company shall not have invested its capital base in accordance with section 90-8-301."

*included
in (b) of
this subsection*

Page 11, line 14,
Strike: "INVESTORS IN"

Page 11, line 22,
Strike: "INVESTORS OR"

REASON: These amendments are intended to clarify that the investors in a capital company are subject to a penalty assessed against them by the department of revenue only if they receive back part or all of the investment for which tax credits were taken and the funds received back from the capital company were never invested in a qualified investment. The existing language in the bill makes the investors subject to a penalty even if the original investment is never returned to the taxpayer.

Amendments to House Bill No. 901
Third Reading Copy

For the Committee on Taxation

Prepared by Jeff Martin
April 4, 1991

1. Page 7, lines 14 and 15.

Strike: "for" on line 14 through "companies" on line 15

2. Page 17.

Following: line 8

Insert: "NEW SECTION. Section 13. Coordination instruction. If House Bill No. 863 is passed and approved and if it contains new language referring to the board, defined as the board of investments, then the code commissioner is instructed to substitute the term "department", defined as the department of commerce, for the term "board" in House Bill No. 863."

Renumber: subsequent sections

Letters to the editor

VanLuchene's Express Thanks

I have spent hours deciding how to express our gratitude for the outpouring of sympathy expressed by this community. Talk about an army!

Everything was ready for us. Food, lodging, refrigerator, places to shower and many more wonderful things. But most of all you were here. Every hug made the next moment easier.

Thanks to Ralph and Helen for handling the arrangements at the funeral home and at the church. Thanks to Father Jim Connor for such comfort and such a beautiful service. Thanks to the pallbearers for their difficult but beautifully done job.

Ryan basically picked out his own music they were songs he loved. Thank God I took a moment to listen to him a few days before he died when he wanted me to hear them. To Lori Kronebusch, Tom Drynan and DeDe Brown for letting us all hear the message in them.

Ryan is at rest. We, the ones left behind, need time to mend. Together with our human kindness we can do so. He has the biggest, safest fishing hole there ever will

Where is TV District?

Where is the Conrad TV District going to?

Back in the late 50's, a few enterprising people formed a club called the Conrad TV Club and set up a translator on Sam George Hill. Previous to that time, TV was almost non-existent in Conrad.

Donations were asked for and more equipment added. As usual with donations, only a few made donations and everyone benefitted. To equalize the situation, a petition was circulated and a tax district was formed with a \$7 charge per household. New equipment was purchased, a technician hired, and Conrad finally had excellent TV with reliable service. Three years later the fee was dropped to \$5 per year and has been there ever since.

With the advent of Cable, our tax base started to erode. Today, we are forced with several decisions for funding again. Do we extend our boundaries? Several people are using our signals and not paying for them. Do we raise our fees? Does relatively free TV cease to exist in Conrad and surrounding areas due to lack of support?

Is 42¢ a month (\$5.00 per year) too much for people in this area to pay in order to receive virtually free TV? Even if you are fortunate enough to have pay TV, think of your friends and relatives who can't afford cable or who live out of the city limits and can't receive this service. Or what about the fact that you now have a freedom of choice between free and pay TV. Do you want to lose this privilege of choice?

The choice is up to you, the people of Conrad and the surrounding area.

We need your input.
The Board of the Conrad
TV District
Jim Aitken, Chairman
Jerry Hess, Secretary
Ike Eubank, Director

DEPARTMENT OF REVENUE
PONDERA COUNTY ASSESSOR



STAN STEPHENS, GOVERNOR

COURTHOUSE

STATE OF MONTANA

(406) 278-7681, EXT. 19

CONRAD, MONTANA 59425-2382

February 27, 1991

RE: HB 856 - Revise Television Tax District Exemptions

Rep. Mike Foster
House of Representatives
Capitol Station
Helena, MT 59620

Dear Rep. Foster:

I strongly believe HB 856 should be supported.

We have three television districts in Pondera County. Two of the three are in financial trouble due to the waiving of the television charge for those real estate owners that have cable.

I am aware of the financial problem as the assessor, by law, must provide each television district a tax roll for the television districts to assess their annual charges. We therefore work very closely with the local television districts.

To date, the legislature has made positive progress by making the real estate owner the responsible party for payment of the annual fee. In the past, the actual owner of the television was charged. This was hard to accomplish to any degree of accuracy, not to mention the poor percent of payment. The counties have no recourse to take for nonpayment of a "personal" television district charge.

Enclosed please find a plea by Conrad television district board member, Jim Aitken, urging taxpayers to consider paying their annual \$5 translator fee.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Wanda M. Bandow".

Wanda M. Bandow
Pondera County Assessor

WB/wb

Encl.

March 14, 1991

Two Dot, Mt. 59085

Rep. Mike Foster
Capitol Building
Helena, Mt 59620

House Taxation Committee

I am writing in regard to HB 856. The present law provides an exemption from tax for cable subscribers even though the Cable company uses Tax District signals. This exemption results in a loss of operating revenue to the Translator District, and, or an increase in tax to those remaining who are not exempt.

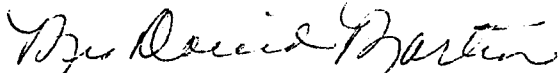
Some Cable companys own and operate their own Translators and do not use Tax Districts signals and this is fine. I feel it is unfair for Cable companys to use Tax District signals coming in and sell those signals to their subscribers.

HB 856 will correct this ~~one~~equity and make sure everyone using translator signals will pay their fair share toward support of the Translator Stations. The TV District tax should be paid by all who are benefitted by the Translator signals. In the case of Cable users, the tax is an obligation of the user and not of the Cable Company, so the cable company should not object.

My Family has been involved in providing TV via translators to rural areas for many years. We are greatly aware of the importance of translators that relay TV signals from primary stations to our homes.

I urge favorable support and passage of HB 856.

Sincerely,



Mrs. David Martin
Mar-Low TV District, Trustee

Dear Rep Foster

I wish to make known my support of HB #856. In order that proper ~~the~~ maintenance of equipment be insured all who use the equipment must also pay for that usage.

Thank you for your work on this bill.

Sincerely

James A. Freese

Board Member

Marlo T.V..

Hamilton MT. 59036.

Harlowton, Montana
March 6, 1991


H. B. 856 To amend a Bill and an Act entitled: "AN ACT TO FURTHER
LIMIT THE EXEMPTION FROM TAXATION FOR TELEVISION DISTRICT SERVICES."
MARLO-T.V. DISTRICT ASK FOR YOUR SUPPORT IN PASSING H.B. 856.

The T.V. Booster Station serves the areas of Shawmut, Judith Gap, Two
Dot, Martinsdale, Lennep and Harlowton.

Cable T.V. of Harlowton uses the signal from our Booster of the three
Billings TvV. Stations. Directly or indirectly have told their subscribers
that they may sign a affidavit and be exempt from paying any type of taxes
or assesments to the County to maintain the Booster Station we have set up.
As the majority do use Cable T.V., it would be impossible to maintain the
Booster in any area around the State. Many people depend on their T.V.
for Weather, News and Etc.

We PLEASE SUPPORT HOUSE BILL 856, A FAIR AND JUST BILL

Thank you


Stillman C. Jones, Secretary

Marlo T.V. Association P.O. Box 567
Harlowton, MT 59036

3

March 5, 1991

Representative Mike Foster:

Helena, Monatana

Dear Mr. Foster:

Please support House Bill 856. We are a member of a TV Translator club and would appreciate your support very much in order to keep our club financially alive.

Thank you,
Bear Paw TV Club
Box 965
Chinook, Mt. 59523

Doris Hofelalt (Sec)

Valier Television District
c/o Keith Brophy
Rte. 3 Box 931
Valier, MT 59486
March 13, 1991

Representative Mike Foster
Capitol Station
Helena, MT 59601

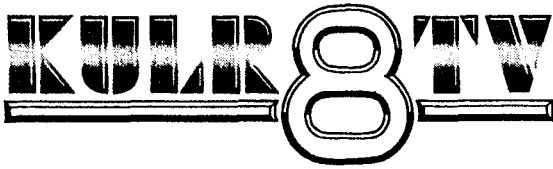
Dear Representative Foster:

This letter is in reference to the upcoming hearing on HB 856 which regulates the exemption to taxpayers who subscribe to cable television systems. Please vote in favor of this legislation as county television districts are receiving inadequate revenue due to exemptions given to cable subscribers, and in our district, the local cable company presently receives signals from our transmitters at no cost. Thank you.

Sincerely yours,



Keith Brophy
Valier Television
District Boardmember



KULR TELEVISION
P.O. Box 80810
Billings, MT 59108

March 13, 1991

Rep. Mike Foster
Capitol Station
Helena, MT 59620

Dear Representative Foster:

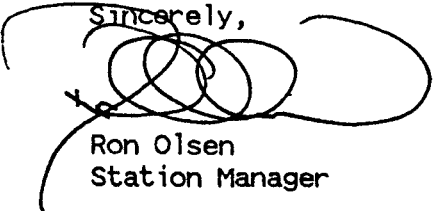
Please accept this letter as KULR-TV's support for passage of HB 856.

Translator districts have historically provided television reception to the rural areas of Montana that would otherwise have no television entertainment, news, and public affairs programming. The operation of these districts was funded with a special tax levy. Then the cable operators came in and got an exemption from that tax for their subscribers even though they, the cable companies, use the translator district's equipment to pick up the television signal and rebroadcast it on their cable systems.

This is very unfair! The cable companies are forcing those rural residents that do not subscribe to cable, or can't subscribe, to subsidize their subscribers. With less money for operation, the translator districts may not survive and be forced to shut down their equipment. This would mean that rural residents of Montana, cable subscribers and non-cable subscribers alike, would no longer have access to Montana television stations. And many would have no television at all unless they bought expensive satellite receivers. But, even with a satellite receiver or cable, they would have no source for television news from and about Montana. Their only news would be from New York, Washington, Atlanta, Chicago, etc, etc....not conducive to a well informed Montana citizenry.

Again, I urge your support and vote for HB 856...it just means that everyone who uses the translator signals, either directly or indirectly, will pay their fair share for that use.

Sincerely,



Ron Olsen
Station Manager



2045 OVERLAND AVE. BILLINGS, MT (406) 656-8000



SUMMARY OF HB 617 REQUIRING A "TAX EXPENDITURE BUDGET"

The Statement of Intent included with the bill is not required, but is included to delineate the reasons for the bill.

There are two principal purposes of the bill: (1) requiring the Department of Revenue to report information about the numerous "tax breaks" or "loopholes" that exist in Montana's tax code so that the public and their legislators can be aware of the costs of the tax breaks; and (2) requiring the Governor to recommend continuing, increasing, decreasing, or eliminating the so-called "tax breaks" so that the public and the Legislature will know and can react to the Governor's position on the myriad of tax breaks.

Section 1 of the bill requires the Department of Revenue to capture and report a variety of information about Montana's taxes applied to a variety of commercial enterprises. The reporting deadlines in the bill will allow time enough for legislative committees and the Governor to react to the information reported prior to an upcoming session of the Legislature.

Section 2 of the bill requires the Governor to have prepared a "tax expenditure budget" much in the same way that he has a regular budget prepared. Rather than recommending a level of spending for a particular program, which recommendation is reviewed through the appropriation process of the Legislature, the Governor would recommend funding tax breaks or loopholes through his tax expenditure budget.

The Legislature and the public would then be aware of current policy and priorities relative to the expenditure of public money through special tax breaks. Currently, neither the public nor the Legislature knows the costs of continuing tax loopholes.

Section 3 of the bill establishes a deadline for the Department of Revenue to submit the required tax expenditure information to the Governor. The deadline is August 1 in each year preceding a legislative session and should allow sufficient time for the Governor to reflect on the public policies of tax expenditures and to make recommendations for improvement.

Section 4 of the bill requires the Governor to submit his tax expenditure budget to the Legislature at the same time that he submits his regular budget to the Legislature. By so doing, all expenditures -- those that take the form of legislative appropriation and those that take the form of special tax breaks -- can be compared by the public and the Legislature as a

total package. Without reporting and recommending improvements on tax policy and tax expenditures, the public and the Legislature does not see the total picture of public expenditures.

Section 5 requires the Legislature to consider the tax expenditure budget recommended by the Governor. The manner in which the Legislature decides to consider the budget is left to the discretion of the Legislature.

Sections 6 and 7 are merely housekeeping language allowing severability and instructing codification.

HB - 856

Revise Television Tax District Exemption

Problem

EXEMPTIONS UNDER PRESENT LAW :

Cable companies use translator signals as program source; do not contribute to support of translators.

Encourage cable subscribers to file affidavits that they are subscribers to cable, and thus exempt.

Taxpayer has benefit of translator signal thru cable company and also by "rabbit ears" on their other TV sets in kitchen, bedroom and/or children's playroom.

Nobody pays for translator maintenance !

CURE

HOUSE BILL 856 :

Eliminates exemption when cable company uses translator signal and/or taxpayer receives translator signals directly.

Those benefitting from translator signals share cost of maintaining translators.

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 9, 1991

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 386 (third reading copy -- blue), respectfully report that House Bill No. 386 be concurred in.

Signed: *Mike Halligan*
Mike Halligan, Chairman

4-10-91
Amd. Coord.

4-5 4:20
Sec. of Senate

721611SC.S11

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 5, 1991

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 441 (third reading copy -- blue), respectfully report that House Bill No. 441 be amended and as so amended be concurred in:

1. Page 8, line 22.

Following: "HAVE"

Insert: "not"

2. Page 12, line 22.

Following: "required"

Insert: "by law"

Signed: _____

Mike Halligan, Chairman

SP 4-5
Am. Coord.

SP 4-5
Sec. of Senate

4:25

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 5, 1991

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 446 (third reading copy -- blue), respectfully report that House Bill No. 446 be concurred in.

Signed: _____

Mike Halligan, Chairman

191 4-5-91
Amd. Coord.

SP 4-5 2:40
Sec. of Senate

7. Page 11, line 14.
Strike: "INVESTORS IN A"
Insert: "A"

8. Page 11, line 22.
Strike: "INVESTORS OR"

9. Page 17.

Following: line 8

Insert: "NEW SECTION. Section 13. Coordination instruction. If House Bill No. 863 is passed and approved and if it contains new language referring to the board, defined as the board of investments, then the code commissioner is instructed to substitute the term "department", defined as the department of commerce, for the term "board" in House Bill No. 863."

Renumber: subsequent sections

Signed: Mike Halligan
Mike Halligan, Chairman

4-5-91
M.D. Coord.

SR 4-5 3:40
Sec. of Senate

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 5, 1991

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 518 (third reading copy -- blue), respectfully report that House Bill No. 518 be amended and as so amended be concurred in:

1. Title, line 6.

Following: "A"

Insert: "LOCAL"

2. Page 1, line 17.

Following: "No"

Insert: "local"

3. Page 1, line 24.

Following: "year"

Insert: "exclusive of revenue from ad valorem taxation on properties appearing for the first time on the assessment roll"

4. Page 2, line 23.

Strike: "TAX"

Insert: "BUDGET"

Following: "INCREASE"

Insert: "FROM PROPERTY TAXES"

Signed: _____

Mike Halligan, Chairman

4 5 9
Amd. Coord.

SP 4-5 4:25
Sec. of Senate

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 5, 1991

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 677 (third reading copy - blue), respectfully report that House Bill No. 677 be concurred in.

Signed: *Hike Halligan*
Hike Halligan, Chairman

SP 4-5
Am. Coord.

SP 4-5
Sec. of Senate

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 5, 1991

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 856 (third reading copy -- blue), respectfully report that House Bill No. 856 be amended and as so amended be concurred in:

1. Page 2, line 9.

Following: "or"

Insert: "as its source"

Signed: _____

Mike Halligan
Mike Halligan, Chairman

121 115.91

And. Coord.

OP, 4-5 3:40

Sec. of Senate

SENATE STANDING COMMITTEE REPORT

Page 1 of 2
April 5, 1991

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 901 (third reading copy -- blue), respectfully report that House Bill No. 901 be amended and as so amended be concurred in:

1. Title, line 11.

Strike: "THE"

Insert: "A"

Following: "PENALTY"

Insert: ", UNDER CERTAIN CONDITIONS,"

2. Page 2, line 25.

Following: "project"

Insert: "unless the department determines that the investment furthers the purposes of this chapter"

3. Page 9, line 5.

Following: "investments"

Insert: "-- penalty"

4. Page 9, line 6.

Following: "if"

Insert: "(1)"

5. Page 9, line 11.

Strike: "INVESTOR"

Insert: "company"

6. Page 9.

Following: line 19

Insert: "(2) If a capital company does not invest its capital base in accordance with 90-8-301 and has paid or otherwise distributed funds to an investor or subsequent holder of the investment, the department of revenue may recover from the person receiving the distributed funds a penalty in an amount not to exceed the lesser of:

(a) the amount of the tax credit received by the original investor; or

(b) the amount of funds paid or otherwise distributed to the investor or the subsequent holder of the investment. Dividends or distributions made in accordance with applicable law may not be included in the amount specified in this subsection (b) unless the capital company has not invested its capital base in accordance with 90-8-301."

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 5, 1991

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 894 (third reading copy -- blue), respectfully report that House Bill No. 894 be amended and as so amended be concurred in:

1. Page 2, line 2.

Following: "\$500."

Insert: "The credit allowed under this section may not exceed the taxpayer's income tax liability."

Signed: _____

Mike Halligan
Mike Halligan, Chairman

1/2-9
AM
Amd. Coord.


SP 4-5 2:40
Sec. of Senate

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 5, 1991

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 947 (third reading copy -- blue), respectfully report that House Bill No. 947 be concurred in.

Signed: 
Mike Halligan, Chairman

111 11.5-91
Amgt. Coord.

SR 4-5 2:40
Sec. of Senate

72152730.544