

MINUTES

MONTANA SENATE 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By Senator Mike Halligan, Chairman, on April 23, 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)
Bill Yellowtail (D)

Members Excused:

Fred Van Valkenburg (D)

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 JOINT RESOLUTION 53

Presentation and Opening Statement by Sponsor:

Representative Stang, District 52, said the HJR 53 requests an interim study on all aspects of federal, state, local, and tribal taxation on Indian reservations to include income, property, natural resource, selective sales, excise, and other taxes. He said we have had a great number of bills introduced this session dealing with taxation of various sorts on Indian reservations. Rep. Stang felt it is very important to review the entire Indian taxation area before the next session. Rep. Stang presented proposed amendments from Rep. Russell to the committee (Exhibit #1).

Proponents' Testimony:

There were no proponents.

Opponents' Testimony:

There were no opponents.

Questions From Committee Members:

Senator Towe asked Rep. Stang if he had any problem with the amendments.

Rep. Stang replied he did not, other than being concerned about the bill getting through the legislative process before the end of the session if the amendments were added. He added he would like to see the provisions in the amendment included in the bill.

Closing by Sponsor:

Rep. Stang closed.

EXECUTIVE ACTION ON HOUSE JOINT RESOLUTION 53

Amendments, Discussion, and Votes:

Senator Harp moved to adopt the amendments as per Exhibit #1.

Senator Yellowtail and Senator Thayer both said they feared the resolution would not be acted on before the end of session.

Senator Harp agreed the resolution was too important to jeopardize by amending at this point in time. He withdrew his motion with the stipulation that a letter be written to the Revenue Oversight Committee urging the members to include the provisions in the amendments in the study should it be undertaken by that committee.

Recommendation and Vote:

Senator Gage moved HJR 53 Be Concurred In.

The motion CARRIED unanimously.

HEARING ON SENATE JOINT RESOLUTION 33Presentation and Opening Statement by Sponsor:

Senator Towe, District 46, said the resolution asks for a comprehensive study of the entire Montana tax system. He said the resolution language focuses on property taxation, but does not exclude anything else. He referred to the provisions on page 3 that are addressed in the bill. Senator noted an advantage of an interim study is the luxury of time to review the fiscal impacts of various taxation provisions. He noted the specific request for a separate interim committee to be appointed. He felt this is a very large study and might be too much to expect the Revenue Oversight Committee to handle given their other obligations.

Proponents' Testimony:

There were no proponents.

Opponents' Testimony:

There were no opponents.

Questions From Committee Members:

Senator Eck asked if there were any other study resolutions dealing with an interim study of taxation.

Senator Towe replied Rep. Dolezal has introduced HJR 55, requesting a study of property taxes only, which passed the House yesterday. He said the provisions of that resolution are contained in SJR 33.

Senator Thayer said he felt the interim committee should make a concerted effort to utilize the tax reform coalition material.

Senator Towe agreed that the coalition information is very good and needed to be included in the study process. He warned against "bogging down" in the sales tax issue as the study should cover the whole spectrum of tax reform.

Senator Gage suggested fees, licenses, and earmarking of statutory appropriations be included in the study.

Senator Towe agreed, but warned there is only so much one committee can do. He felt the committee would have to set priorities for itself, but expressed concern that some important sections would be segregated out of consideration.

Senator Brown felt this resolution is definitely an ROC concern and should be considered by that committee.

Senator Eck agreed with Senator Brown. She felt members of the coalition, private sector groups, and local government representatives should be included in the deliberations, and that, possibly, public hearings should be held across the state.

Closing by Sponsor:

Senator Towe closed.

EXECUTIVE ACTION ON SENATE JOINT RESOLUTION 33

Amendments, Discussion, and Votes:

Senator Towe moved to amend the resolution as per the attached standing committee report.

The motion CARRIED unanimously.

Recommendation and Vote:

Senator Brown moved SJR 33 Do Pass As Amended.

The motion CARRIED unanimously.

ADJOURNMENT

Adjournment At: 8:25 a.m.



SENATOR MIKE HALLIGAN, Chairman



JILL D. ROHYANS, Secretary

MH/jdr

MINUTES

MONTANA SENATE 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By Senator Mike Halligan, Chairman, on April 25, 1991, at 5:35 p.m.

ROLL CALL

Members Present:

Mike Halligan, Chairman (D)
Dorothy Eck, Vice Chairman (D)
Francis Koehnke (D)
Gene Thayer (R)
Thomas Towe (D)
Van Valkenburg (D)
Bill Yellowtail (D)

Members Excused:

Robert Brown (R)
Steve Doherty (D)
Delwyn Gage (R)
John Harp (R)

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 JOINT RESOLUTION 55

Presentation and Opening Statement by Sponsor:

Senator Towe presented the resolution for Rep. Dolezal, the sponsor. He said this is a resolution asking for an interim study of property taxation in the state. It is the same bill as Senator Towe's SJR 33 which asked for comprehensive study of all taxes in Montana during the interim. The main focus of SJR 33 was also property taxes, but it did include all other taxes as well. Three major bills introduced this session dealing with adjusted taxable valuations have died. Senator Towe and Rep. Dolezal agreed a comprehensive study of tax reform needed to be made. Senator Towe's resolution has been tabled in the House.

Proponents' Testimony:

There were no proponents.

Opponents' Testimony:

There were no opponents.

Questions From Committee Members:

There were no questions.

Closing by Sponsor:

Senator Towe closed.

EXECUTIVE ACTION ON HOUSE JOINT RESOLUTION 55

Amendments, Discussion, and Votes:

Senator Towe moved to amend the bill to make the study apply to all areas of taxation in the state. This motion would essentially amend the provisions of SJR 33 into HJR 55.

Senator Eck felt it would raise red flags in the House if these provisions were put into the resolution just after SJR 33 had been tabled because it was too broad.

Senator Thayer said the House was bound to table this resolution if they tabled the other one because it was too broad.

Senator Halligan said Rep. Harrington came to the Senate and told him SJR 33 was tabled because the provisions for the study were too broad and that was the only reason.

The motion to amend HJR 55 CARRIED (see attached standing committee report for final version of amendments).

Senator Towe moved to change the study committee provision in the bill from the interim committee to the Revenue Oversight Committee.

The motion CARRIED with Senator Thayer voting no.

Recommendation and Vote:

Senator Towe moved HJR 55 Be Concurred In As Amended.

Senator Thayer said the tax system has been studied to death.

Senator Towe said he found it was very difficult to get any information from most every state agency he contacted when he was preparing his tax bills this session.

The motion that HJR 55 Be Concurred In As Amended CARRIED with Senators Van Valkenburg and Thayer voting no.

ADJOURNMENT

Adjournment At: 5:55 p.m.



SENATOR MIKE HALLIGAN, Chairman

JILL D. ROHYANS, Secretary

MH/jdr

ROLL CALL

SENATE TAXATION COMMITTEE

DATE 4/25/91

52nd 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		
SEN. YELLOWTAIL	X		

Each day attach to minutes.

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 28, 1991

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Joint Resolution No. 55 (third reading copy -- blue) respectfully report that House Joint Resolution No. 55 be amended and as so amended be concurred in.

1. Title, line 20.

Strike: "PROPERTY"

2. Page 2, line 14.

Strike: "an appropriate joint interim study committee"

Insert: "the Revenue Oversight Committee"

3. Page 2, line 16.

Strike: "property"

4. Page 2, lines 17 through 21.

Strike: lines 17 through 21 in their entirety

5. Page 3, lines 11 through 24.

Strike: lines 11 through 24 in their entirety

Insert: "That the Committee in its study:

(1) examine existing sources and levels of taxation, with particular attention given to the classification of property and the taxable percentages applied to that property, and evaluate the sources and levels of taxation;

(2) examine alternative methods of taxation from existing sources as well as new sources of revenue, such as broadening the property tax base to include, among other things, stocks and bonds, and evaluate the alternative methods and new sources; and

(3) develop recommendations of a balanced and integrated tax structure for the state.

That the Committee, in its deliberations, solicit the knowledge and advice of economists, tax policy experts, and representatives of tax reform coalitions, local governments, small business organizations, large industries, agriculture, the Montana Chamber of Commerce, and the Department of Revenue."

6. Page 3, lines 25 through page 4, line 1.

Strike: "joint" on page 3, line 25 through "committee" on page 4, line 1

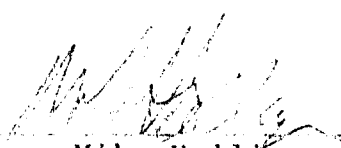
Insert: "Revenue Oversight Committee"

7. Page 4, line 3.

Strike: "committee"

Insert: "Committee"

Signed:


Mike Halligan, Chairman

14-25-91
Am. Coord.

4/25
Sec. of Senate