

HOUSE BILL 53

IN THE HOUSE

January 4, 1979	Introduced and referred to Committee on Taxation.
January 6, 1979	On motion, joint rule 6-6 suspended and sponsor's signature allowed to be added to prefiled bills.
January 9, 1979	Rereferred to Committee on Labor and Employment Relations.

HOUSE BILL NO. 53

INTRODUCED BY _____

BY REQUEST OF THE DEPARTMENT OF LABOR AND INDUSTRY

A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION 39-51-1108, MCA, TO CHANGE THE METHOD OF DETERMINING THE TAXABLE WAGE BASE; PROVIDING AN EFFECTIVE DATE AND RETROACTIVE APPLICATION."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 39-51-1108, MCA, is amended to read:

"39-51-1108. Amount of wages per employee subject to contribution. (i) (a) Payment of contributions shall apply only to wages paid up to and including \$4,200 by an employer to an employee with respect to employment during the calendar years 1972, 1973, 1974, and the first calendar quarter of year 1975.

(b) For the second calendar quarter of the calendar year 1975 and thereafter through the fourth calendar quarter of 1978, the taxable wage base shall be established for each year based upon is the greater of:

(i) the reserve percent of total wages; or

(ii) the amount of taxable wage base specified in the Federal Unemployment Tax Act, whichever is higher.

(c) For the first calendar quarter of 1979 and thereafter, the taxable wage base for each year is the greater of:

(i) the average annual wage as determined under 39-51-2201(2) (rounded to the nearest \$100) during the calendar year immediately preceding the most recently completed calendar year (i.e., the calendar year 1977 for the payment year 1979); or

(ii) the amount of taxable wage base specified in the Federal Unemployment Tax Act.

(2) Effective January 1, 1978, and thereafter the Federal Unemployment Tax Act provides that contributions shall be paid on wages up to and including \$6,000 per employee.

Reserve Percent of Total Wages	Taxable Wage Base
2.50% and above	\$4,200
2.25 to 2.49%	4,400
2.00 to 2.24%	4,600
Less than 2.00%	4,800"

Section 2. Effective date and retroactive application. This act is effective upon passage and approval and shall be considered to apply as of January 1, 1979.

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