

HOUSE BILL 633

IN THE HOUSE

February 7, 1979	Introduced and referred to Committee on Taxation.
March 26, 1979	Committee recommend bill, as amended.
March 27, 1979	Printed and placed on members' desks.
	Second reading, do pass as amended.
	Correctly engrossed.
	Third reading, passed.

IN THE SENATE

March 27, 1979	Introduced and referred to Committee on Taxation.
April 20, 1979	Died in Committee.

1 House BILL NO. 633  
 2 INTRODUCED BY Manning Dixon Tobias Tesque  
 3 Ramirez, Bingham

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE FOR A LOCAL  
 5 OPTION SELECTIVE EXCISE TAX ON THE PURCHASE OF GASOLINE AND  
 6 OTHER VEHICLE FUELS WHICH MAY NOT EXCEED 2 CENTS FOR EACH  
 7 GALLON OF FUEL IF APPROVED BY AN AFFIRMATIVE VOTE OF THE  
 8 ELECTORS OF THE COUNTY."

9  
 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Selective excise tax -- fuels. (1) A county  
 12 governing body with general or self-government powers may  
 13 impose, by ordinance, a tax on the purchase of fuels taxable  
 14 under Title 15, chapters 70 and 71 if approved by a majority  
 15 of the qualified electors voting on the question as provided  
 16 in [section 2]. The tax may not exceed an amount equal to 2  
 17 cents for each gallon of fuel.

18 (2) A fuel tax so imposed must be countywide.

19 (3) The administration, collection, and distribution  
 20 of the proceeds from a fuel tax must be detailed in an  
 21 interlocal agreement adopted by the county and all  
 22 municipalities in the county prior to the imposition of the  
 23 tax. The interlocal agreement may be modified by agreement  
 24 of the governing bodies.

25 (4) The proceeds of the tax must be used in a manner

1 that is consistent with the provisions of Article VIII,  
 2 section 6, of the Montana constitution.

3 (5) The tax on fuels authorized by this section is  
 4 extraordinary and in addition to any other tax authorized by  
 5 Title 7, chapter 6.

6 Section 2. Election required to impose fuels tax. (1)  
 7 A county governing body may impose or repeal the tax  
 8 authorized by [section 1] only after an affirmative vote of  
 9 the majority of the qualified electors of the county voting  
 10 on the question.

11 (2) The question may be presented to the electors of  
 12 the county at a general election or a special election  
 13 called for that purpose by the county governing body.

-End-

HE 633  
 -2- INTRODUCED BILL

STATE OF MONTANA

Request No. 314-79

FISCAL NOTE

Form BD-15

In compliance with a written request received February 9, 1979, there is hereby submitted a Fiscal Note for House Bill 633 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION:

This proposed bill provides for a local option selective excise tax on the purchase of gasoline and other vehicle fuels which may not exceed 2 cents for each gallon of fuel if approved by an affirmative vote of the electors of the county.

FISCAL IMPACT:

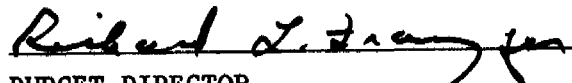
No impact on state revenues.

EFFECT ON LOCAL GOVERNMENT:

Assuming that the 32 counties currently assessing the maximum statutory and road fund levy will impose a one-cent motor fuel tax during each year of the biennium, local governments will receive an additional \$2.6 million in revenue per year.

TECHNICAL NOTE:

The proposed legislation presents a problem as to who should administer the optional tax - the county that enacts the tax or the Motor Fuels Division of the Department of Revenue that already administers present motor fuel taxes?

  
BUDGET DIRECTOR  
Office of Budget and Program Planning  
Date: 2/15/79

Approved by Committee  
on Taxation

HOUSE BILL NO. 633

INTRODUCED BY MANNING, DOZIER, FABREGA,

TEAGUE, RAMIREZ, BENGTON

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE FOR A LOCAL  
OPTION SELECTIVE EXCISE TAX ON THE PURCHASE OF GASOLINE AND  
OTHER VEHICLE FUELS WHICH MAY NOT EXCEED 2 CENTS FOR EACH  
GALLON OF FUEL IF APPROVED BY AN AFFIRMATIVE VOTE OF THE  
ELECTORS OF THE COUNTY RESOLUTION OF THE COUNTY GOVERNING  
BODY."

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

Section 1. Selective excise tax -- fuels. (1) A county  
governing body with general or self-government powers may  
impose, by ordinance RESOLUTION, a tax on the purchase of  
fuels taxable under Title 15, chapters 70 and 71 if approved  
by a majority of the qualified electors voting on the  
question as provided in [section 2] GASOLINE. The tax may  
not exceed an amount equal to 2 cents for each gallon of  
fuel GASOLINE.

(2) A fuel GASOLINE tax so imposed must be countywide.

(3) The administration, collection, and distribution  
of the proceeds from a fuel GASOLINE tax must be detailed in  
an interlocal agreement adopted by the county and all  
municipalities in the county prior to the imposition of the

tax. The interlocal agreement may be modified by agreement  
of the governing bodies.

(4) The proceeds of the tax must be used in a manner  
that is consistent with the provisions of Article VIII,  
section 6, of the Montana constitution.

(5) The tax on fuels GASOLINE authorized by this  
section is extraordinary and in addition to any other tax  
authorized by Title 7, chapter 6.

Section 2. ~~Election required to impose fuels tax~~  
HEARING ON COUNTY GASOLINE TAX REQUIRED -- NOTICE (1) A  
county governing body may impose or repeat the tax  
authorized by [section 1] only after an affirmative vote of  
the majority of the qualified electors of the county voting  
on the question

(2) The question may be presented to the electors of  
the county at a general election or a special election  
called for that purpose by the county governing body. (1)  
THE COUNTY GOVERNING BODY MUST HOLD A PUBLIC HEARING BEFORE  
IMPOSING A COUNTY GASOLINE TAX.

(2) NOTICE OF THE PUBLIC HEARING MUST BE PUBLISHED  
ONCE A WEEK FOR 2 CONSECUTIVE WEEKS IN A NEWSPAPER WITH  
GENERAL CIRCULATION IN THE COUNTY.

(3) THE NOTICE MUST DESCRIBE THE TIME, DATE, PLACE,  
AND PURPOSE OF THE HEARING.

-End-

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TEAGUE, RAMIREZ, BENGTON

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1 ~~AND--PURPOSE-OF-THE-HEARING\* (1) A COUNTY GOVERNING BODY MAY~~  
2 ~~IMPOSE OR REPEAL THE TAX AUTHORIZED BY [SECTION 1] ONLY~~  
3 ~~AEIER AN AFFIRMATIVE VOIE OF THE MAJORITY OF THE QUALIFIED~~  
4 ~~ELECTORS OF THE COUNTY VOTING ON THE QUESTION.~~  
5 ~~(2) THE QUESTION MAY BE PRESENTED TO THE ELECTORS OF~~  
6 ~~THE COUNTY AT A GENERAL ELECTION OR A SPECIAL ELECTION~~  
7 ~~CALLED FOR THAT PURPOSE BY THE COUNTY GOVERNING BODY.~~

-End-