

CHAPTER NO. 673.

HOUSE BILL NO. 768

INTRODUCED BY KROPP, BRAND, MAGONE, JOHNSTON,  
KANDUCH, SIVERTSEN, SCHULTZ, IVERSON, DASSINGER,  
WYRICK, ERNST, UNDERDAL, HIRSCH, BERTELSEN,  
VINGER, HAYNE, C. SMITH, BURNETT

IN THE HOUSE

February 13, 1979	Introduced and referred to Committee on Taxation.
March 8, 1979	Committee recommend bill do pass as amended. Report adopted.
March 10, 1979	Printed and placed on members' desks.
March 13, 1979	Second reading, do pass.
March 14, 1979	Considered correctly engrossed.
March 15, 1979	Third reading, passed. Transmitted to second house.

IN THE SENATE

March 16, 1979	Introduced and referred to Committee on Taxation.
March 22, 1979	Committee recommend bill be concurred in as amended. Report adopted.
March 24, 1979	Second reading, concurred in.
March 27, 1979	Third reading, concurred in as amended.

IN THE HOUSE

March 28, 1979	Returned from second house. Concurred in as amended.
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March 31, 1979 Second reading, amendments  
rejected.

On motion Joint Conference  
Committee requested.

April 2, 1979 Joint Conference  
Committee appointed.

April 5, 1979 Joint Conference Committee  
dissolved.

On motion Free Joint Conference  
Committee requested.

April 6, 1979 Free Joint Conference  
Committee appointed.

April 7, 1979 Free Joint Conference Committee  
reported.

April 9, 1979 Second reading, pass consideration.

April 10, 1979 Second reading, adopted.

April 12, 1979 Free Joint Conference Committee  
reported.

April 13, 1979 Second reading, adopted.

April 16, 1979 Third reading, adopted.

April 17, 1979 Adopted by second house.

April 18, 1979 Sent to enrolling.

Reported correctly enrolled.

1 *House* BILL NO. *768*  
 2 INTRODUCED BY *Kropp Brand Magness Johnson*  
*Kendrick Minton Schultz Jurgens Dressinger*  
 3 *Wynick Ernst Underdahl A. Hirsch Outelsen Vong*  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO EXEMPT THE TRANSFER  
 5 OF PROPERTY OF A MEMBER OF THE ARMED FORCES WHO DIES FROM  
 6 WOUNDS RECEIVED IN A COMBAT ZONE FROM MONTANA'S INHERITANCE  
 7 AND ESTATE TAXES; PROVIDING AN EFFECTIVE DATE."  
 8

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

10 Section 1. Exemption -- transfer of the estate of  
 11 member of armed forces dying from combat wounds. (1) The  
 12 taxes imposed in 72-16-301 and 72-16-904 do not apply to the  
 13 transfer of property owned by a resident of the United  
 14 States dying while in active service as a member of the  
 15 armed services of the United States, if such decedent:

- 16 (a) was killed in action while serving in a combat
- 17 zone; or
- 18 (b) died as a result of wounds, disease, or injury
- 19 suffered in the line of duty while serving in a combat zone.

20 (2) The transfer of property from such a decedent to  
 21 any person, association, or corporation is exempt from  
 22 inheritance and estate taxes imposed in Title 72, chapter  
 23 16.

24 Section 2. Codification. Section 1 is intended to be  
 25 codified as an integral part of Title 72, chapter 16, part

1 3, and the provisions contained in Title 72, chapter 16,  
 2 part 3, apply to section 1.  
 3 Section 3. Effective date. This act is effective on  
 4 passage and approval and applies to the transfer of property  
 5 owned by decedents who die after December 31, 1978.

-End-

STATE OF MONTANA

REQUEST NO. 372-79

FISCAL NOTE

Form BD-15

In compliance with a written request received February 14, 19 79, there is hereby submitted a Fiscal Note for House Bill 768 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 exempts the transfer of property of a member of the armed forces who dies from wounds received in a combat zone from Montana's inheritance and estate taxes; provides an effective date.

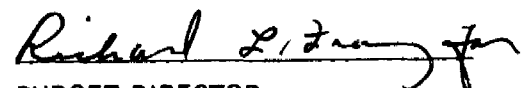
FISCAL IMPACT

No fiscal impact.

TECHNICAL NOTE

The bill is amended to become effective December 31, 1977. This amendment will allow one known estate to be exempt from inheritance taxes. The estimated loss is from \$15,000 to \$20,000 which would most likely occur in FY79.

PREPARED BY DEPARTMENT OF REVENUE



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2/17/79

Approved by Committee  
on Taxation

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5 VINGER, HAYNE, C. SMITH, BURNETT  
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10 AND ESTATE TAXES; PROVIDING AN EFFECTIVE DATE."  
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14 member of armed forces dying from combat wounds. (1) The  
15 taxes imposed in 72-16-301 and 72-16-904 do not apply to the  
16 transfer of property owned by a resident of the United  
17 States dying while in active service as a member of the  
18 armed services of the United States, if such decedent:

19 (a) was killed in action while serving in a combat  
20 zone; or

21 (b) died as a result of wounds, disease, or injury  
22 suffered in the line of duty while serving in a combat zone.

23 (2) The transfer of property from such a decedent to  
24 any person, association, or corporation is exempt from  
25 inheritance and estate taxes imposed in Title 72, chapter

1 16.  
2 Section 2. Codification. Section 1 is intended to be  
3 codified as an integral part of Title 72, chapter 16, part  
4 3, and the provisions contained in Title 72, chapter 16,  
5 part 3, apply to section 1.  
6 Section 3. Effective date. This act is effective on  
7 passage and approval and applies to the transfer of property  
8 owned by decedents who die after December 31, ~~1976~~ 1977.

-End-

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WOUNDS RECEIVED IN A COMBAT ZONE FROM MONTANA'S INHERITANCE  
AND ESTATE TAXES; PROVIDING AN EFFECTIVE DATE."

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

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member of armed forces dying from combat wounds. (1) The  
taxes imposed in 72-16-301 and 72-16-904 do not apply to the  
transfer of property owned by a resident of the United  
States dying while in active service as a member of the  
armed services of the United States, if such decedent:

(a) was killed in action while serving in a combat  
zone; or

(b) died as a result of wounds, disease, or injury  
suffered in the line of duty while serving in a combat zone.

(2) The transfer of property from such a decedent to  
any person, association, or corporation is exempt from  
inheritance and estate taxes imposed in Title 72, chapter

16.

Section 2. Codification. Section 1 is intended to be  
codified as an integral part of Title 72, chapter 16, part  
3, and the provisions contained in Title 72, chapter 16,  
part 3, apply to section 1.

Section 3. Effective date. This act is effective on  
passage and approval and applies to the transfer of property  
owned by decedents who die after December 31, ~~1978~~ 1977.

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A BILL FOR AN ACT ENTITLED: "AN ACT TO EXEMPT THE TRANSFER  
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COMBAT ZONE FROM WOUNDS RECEIVED ~~IN--A--COMBAT--ZONE~~ FROM  
MONTANA'S INHERITANCE AND ESTATE TAXES; PROVIDING AN  
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taxes imposed in 72-16-301 and 72-16-904 do not apply to the  
transfer of property owned by a resident of the United  
States dying while in active service as a member of the  
armed services of the United States, if such decedent:

- (a) was killed in action while serving in a combat  
zone; or
- (b) died IN A COMBAT ZONE as a result of wounds,  
disease, or injury suffered in the line of duty while  
~~serving-in-a-combat-zone.~~

(2) The transfer of property from such a decedent to

any person, association, or corporation is exempt from  
inheritance and estate taxes imposed in Title 72, chapter  
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A BILL FOR AN ACT ENTITLED: "AN ACT TO EXEMPT THE TRANSFER  
OF PROPERTY OF A MEMBER OF THE ARMED FORCES WHO DIES ~~IN A~~  
~~COMBAT-ZONE~~ FROM WOUNDS RECEIVED ~~IN A--COMBAT--ZONE~~ ~~IN A~~  
~~COMBAT ZONE~~ FROM MONTANA'S INHERITANCE AND ESTATE TAXES;  
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taxes imposed in 72-16-301 and 72-16-904 do not apply to the  
transfer of property owned by a resident of the United  
States dying while in active service as a member of the  
armed services of the United States, if such decedent:

(a) was killed in action while serving in a combat  
zone, AS DETERMINED UNDER SECTION 112(C) OF THE INTERNAL  
REVENUE CODE OF 1954, AS AMENDED; or

(b) died ~~IN A COMBAT-ZONE~~ as a result of wounds,  
disease, or injury suffered WHILE SERVING IN A COMBAT ZONE  
AND WHILE in the line of duty, BY REASON OF A HAZARD TO

WHICH HE WAS SUBJECTED AS AN INCIDENT OF SUCH SERVICE while  
servng-in-a-combat-zone.

(2) The transfer of property from such a decedent to  
any person, association, or corporation is exempt from  
inheritance and estate taxes imposed in Title 72, chapter  
16.

Section 2. Codification. Section 1 is intended to be  
codified as an integral part of Title 72, chapter 16, part  
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-End-

REFERENCE BILL: Includes Free Joint  
Conference Committee Report  
Dated 4/11/79



March 22, 1979

SENATE STANDING COMMITTEE REPORT  
(Taxation)

That House Bill No. 768, third reading bill, be amended as follows:

1. Title, line 8.

Following: "DIES"

Insert: "IN A COMBAT ZONE"

2. Title, line 9.

Strike: "IN A COMBAT ZONE"

3. Page 1, line 21.

Following: "dies"

Insert: "in a combat zone"

4. Page 1, line 22.

Strike: "while serving in a combat zone"