

CHAPTER NO. 681

HOUSE BILL NO. 916

INTRODUCED BY TAXATION COMMITTEE

IN THE HOUSE

March 20, 1979	Introduced and referred to Committee on Taxation.
March 24, 1979	Committee recommend bill do pass as amended. Report adopted.
March 26, 1979	Printed and placed on members' desks.
March 27, 1979	Second reading, do pass. Considered correctly engrossed. Third reading, passed. Transmitted to second house.

IN THE SENATE

March 27, 1979	Introduced and referred to Committee on Taxation.
April 7, 1979	Committee recommend bill be concurred in as amended. Report adopted.
April 9, 1979	Second reading, concurred in.
April 11, 1979	Third reading, concurred in as amended.

IN THE HOUSE

April 12, 1979	Returned from second house. Concurred in as amended.
April 13, 1979	Second reading, amendments rejected. On motion Free Joint Conference Committee requested.
April 16, 1979	Free Joint Conference Committee appointed.

April 18, 1979

Free Joint Conference Committee
reported.

Second reading, adopted.

Third reading, adopted.

April 19, 1979

Adopted by second house.

April 20, 1979

Sent to enrolling.

Reported correctly enrolled.

1 House BILL NO. 916
 2 INTRODUCED BY Tammation
 3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION
 5 15-30-203, MCA, TO MAKE OFFICERS OF CORPORATIONS JOINTLY AND
 6 SEVERALLY LIABLE WITH THE CORPORATION FOR PAYMENT OF TAX
 7 WITHHELD FROM EMPLOYEES."

8
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 15-30-203, MCA, is amended to read:

11 "15-30-203. Employer liable for withholding. (1) Every
 12 employer shall be liable for the amounts hereinbefore
 13 required to be deducted and withheld, and such amounts shall
 14 be considered as a tax, and with respect thereto the
 15 employer shall be considered a taxpayer.

16 ~~(2) If the employer is a corporation, an officer~~
 17 ~~thereof who is required to account for and pay to the state~~
 18 ~~amounts withheld from the corporation's employees is jointly~~
 19 ~~and severally liable with the corporation for payment to the~~
 20 ~~state of amounts so withheld and for the amount of penalty~~
 21 ~~and interest due with respect thereto.~~

22 (3) If the employer fails to deduct and withhold the
 23 amounts specified in 15-30-202 and thereafter the tax
 24 against which such deducted and withheld amounts would have
 25 been credited is paid, the amounts so required hereby to be

1 deducted and withheld shall not be collected from the
 2 employer."

3 Section 2. Effective date. This act is effective on
 4 its passage and approval and applies with respect to amounts
 5 deducted and withheld for the quarters beginning after
 6 December 31, 1978.

-End-

Handwritten initials
 INTRODUCED BILL

Approved by Committee
on Taxation

1 HOUSE BILL NO. 916
2 INTRODUCED BY TAXATION COMMITTEE
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION
5 15-30-203, MCA, TO MAKE CHIEF EXECUTIVE OFFICERS OF
6 CORPORATIONS ~~JOINTLY--AND--SEVERALLY~~ LIABLE WITH--THE
7 CORPORATION FOR PAYMENT OF TAX WITHHELD BY A CORPORATION
8 FROM EMPLOYEES IF THE ASSETS OF THE CORPORATION ARE
9 INSUFFICIENT TO PAY THE AMOUNT OWED THE STATE."
10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12 Section 1. Section 15-30-203, MCA, is amended to read:
13 "15-30-203. Employer liable for withholding. (1) Every
14 employer shall be liable for the amounts hereinbefore
15 required to be deducted and withheld, and such amounts shall
16 be considered as a tax, and with respect thereto the
17 employer shall be considered a taxpayer.
18 (2) ~~If the employer is a corporation, an officer~~
19 ~~thereof who~~ THAT is required to account for and pay to the
20 state amounts withheld from the corporation's employees is
21 ~~jointly and severally, THE CHIEF EXECUTIVE OFFICERS OF THE~~
22 CORPORATION ARE liable with the corporation for payment to
23 the state of amounts so withheld BY THE CORPORATION and for
24 the amount of penalty and interest due with respect thereto
25 IF THE ASSETS OF THE CORPORATION ARE INSUFFICIENT TO PAY THE

1 AMOUNT OWED THE STATE.
2 (3) If the employer fails to deduct and withhold the
3 amounts specified in 15-30-202 and thereafter the tax
4 against which such deducted and withheld amounts would have
5 been credited is paid, the amounts so required hereby to be
6 deducted and withheld shall not be collected from the
7 employer."
8 Section 2. Effective date. This act is effective on
9 its passage and approval and applies with respect to amounts
10 deducted and withheld for the quarters beginning after
11 December 31, 1978.

-End-

HOUSE BILL NO. 916

INTRODUCED BY TAXATION COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION 15-30-203, MCA, TO MAKE CHIEF EXECUTIVE OFFICERS OF CORPORATIONS JOINTLY--AND--SEVERALLY LIABLE WITH--THE CORPORATION FOR PAYMENT OF TAX WITHHELD BY A CORPORATION FROM EMPLOYEES IF THE ASSETS OF THE CORPORATION ARE INSUFFICIENT TO PAY THE AMOUNT OWED THE STATE."

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

Section 1. Section 15-30-203, MCA, is amended to read:

"15-30-203. Employer liable for withholding. (1) Every employer shall be liable for the amounts hereinbefore required to be deducted and withheld, and such amounts shall be considered as a tax, and with respect thereto the employer shall be considered a taxpayer.

(2) ~~If the employer is a corporation--an officer thereof who THAT is required to account for and pay to the state amounts withheld from the corporation's employees is jointly and severally, THE CHIEF EXECUTIVE OFFICERS OF THE CORPORATION ARE liable with the corporation for payment to the state of amounts so withheld BY THE CORPORATION and for the amount of penalty and interest due with respect thereto IF THE ASSETS OF THE CORPORATION ARE INSUFFICIENT TO PAY THE~~

AMOUNT OWED THE STATE.

(3) If the employer fails to deduct and withhold the amounts specified in 15-30-202 and thereafter the tax against which such deducted and withheld amounts would have been credited is paid, the amounts so required hereby to be deducted and withheld shall not be collected from the employer."

Section 2. Effective date. This act is effective on its passage and approval and applies with respect to amounts deducted and withheld for the quarters beginning after December 31, 1978.

-End-

HOUSE BILL NO. 916

INTRODUCED BY TAXATION COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION 15-30-203, MCA, TO MAKE ~~CHIEF--EXECUTIVE~~ OFFICERS AND EMPLOYEES OF CORPORATIONS JOINTLY AND SEVERALLY LIABLE WITH THE CORPORATION FOR PAYMENT OF TAX WITHHELD BY A CORPORATION FROM EMPLOYEES IF THE ASSETS OF THE CORPORATION ARE INSUFFICIENT TO PAY THE AMOUNT OWED THE STATE."

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

Section 1. Section 15-30-203, MCA, is amended to read:

"15-30-203. Employer liable for withholding. (1) Every employer shall be liable for the amounts hereinbefore required to be deducted and withheld, and such amounts PLUS INTEREST DUE THEREON shall be considered as a tax, and with respect thereto the employer shall be considered a taxpayer.

~~(2) If the employer is a corporation, an officer thereof who THAT is required to account for and pay to the state amounts withheld from the corporation's employees is jointly and severally with the corporation for payment to the state of amounts so withheld BY THE CORPORATION and for the amount of penalty and interest due with respect thereto IF THE ASSETS OF THE CORPORATION ARE INSUFFICIENT TO PAY THE~~

~~AMOUNT OWED THE STATE~~

~~(2) THE OFFICER OR EMPLOYEE OF A CORPORATION WHOSE DUTY IT IS TO COLLECT, TRUTHFULLY ACCOUNT FOR, AND PAY OVER TO THE STATE AMOUNTS WITHHELD FROM THE CORPORATION'S EMPLOYEES AND WHO WILLFULLY FAILS TO PAY OVER THE WITHHOLDINGS IS LIABLE TO THE STATE FOR AMOUNTS SO WITHHELD AND THE AMOUNT OF PENALTY AND INTEREST DUE THEREON.~~

(3) If the employer fails to deduct and withhold the amounts specified in 15-30-202 and thereafter the tax against which such deducted and withheld amounts would have been credited is paid, the amounts so required hereby to be deducted and withheld shall not be collected from the employer."

Section 2. Effective date. This act is effective on its passage and approval and applies with respect to amounts deducted and withheld for the quarters beginning after December 31, 1978.

-End-

HOUSE BILL NO. 916

INTRODUCED BY TAXATION COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION 15-30-203, MCA, TO MAKE ~~CHIEF EXECUTIVE~~ OFFICERS AND EMPLOYEES OF CORPORATIONS JOINTLY AND SEVERALLY LIABLE WITH THE CORPORATION FOR PAYMENT OF TAX WITHHELD BY A CORPORATION FROM EMPLOYEES ~~IF THE ASSETS OF THE CORPORATION ARE INSUFFICIENT TO PAY THE AMOUNT OVER THE STATE.~~"

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

Section 1. Section 15-30-203, MCA, is amended to read:

"15-30-203. Employer liable for withholding. (1) Every employer shall be liable for the amounts hereinbefore required to be deducted and withheld, and such amounts PLUS INTEREST DUE THEREON shall be considered as a tax, and with respect thereto the employer shall be considered a taxpayer.

~~(2) If the employer is a corporation, an officer thereof who shall be required to account for and pay to the state amounts withheld from the corporation's employees is jointly and severally, THE CHIEF EXECUTIVE OFFICERS OF THE CORPORATION ARE liable with the corporation for payment to the state of amounts so withheld BY THE CORPORATION and for the amount of penalty and interest due with respect thereto IF THE ASSETS OF THE CORPORATION ARE INSUFFICIENT TO PAY THE~~

~~AMOUNT OVER THE STATE.~~

~~(2) THE OFFICER OR EMPLOYEE OF A CORPORATION WHOSE DUTY IT IS TO COLLECT, TRUTHFULLY ACCOUNT FOR, AND PAY OVER TO THE STATE AMOUNTS WITHHELD FROM THE CORPORATION'S EMPLOYEES AND WHO WILLFULLY FAILS TO PAY OVER THE WITHHOLDINGS IS LIABLE TO THE STATE FOR AMOUNTS SO WITHHELD AND THE AMOUNT OF PENALTY AND INTEREST DUE THEREON.~~

(3) If the employer fails to deduct and withhold the amounts specified in 15-30-202 and thereafter the tax against which such deducted and withheld amounts would have been credited is paid, the amounts so required hereby to be deducted and withheld shall not be collected from the employer."

Section 2. Effective date. This act is effective on its passage and approval and applies with respect to amounts deducted and withheld for the quarters beginning after December 31, 1978.

-End-

April 7, 1979

SENATE STANDING COMMITTEE REPORT
(Taxation)

That House Bill No. 916, third reading bill, be amended as follows:

1. Title, line 5.

Following: "MAKE"

Strike: "CHIEF EXECUTIVE"

Following: "OFFICERS"

Insert: "AND EMPLOYEES"

2. Page 1, line 15.

Following: "amounts"

Insert: "plus interest due thereon"

3. Page 1, line 17.

Following: line 17

Strike: subsection 2 in its entirety

Insert: "(2) The officer or employee of a corporation whose duty it is to collect, truthfully account for, and pay over to the state amounts withheld from the corporation's employees and who willfully fails to pay over the withholdings is liable to the state for amounts so withheld and the amount of penalty and interest due thereon."