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 SEN	ATE
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 HOU	SE
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.

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House BILL NO. 916 1 INTRODUCED BY Take ation 2 3 A BILL FOR AN ACT ENTITLED: MAN ACT TO AMEND SECTION 4 15-30-203. NCA. TO MAKE OFFICERS OF CORPORATIONS JUINTLY AND 5 SEVERALLY LIABLE WITH THE CORPORATION FOR PAYMENT OF TAX 6 WITHHELD FROM EMPLOYEES." 7 В BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 9 10 Section 1. Section 15-30-203, MCA, is amended to read: 11 #15-30-203. Employer liable for withholding. 111 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 and severally liable with the corporation for payment to the state of amounts so withheld and for the amount of penalty and interest due with respect thereto.

22 <u>(31)</u> 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

December 31, 1978.

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46th Legislature

HB 0916/02

Approved by Committee on <u>Texation</u>

1	HOUSE BILL NG. 916
2	INTRODUCED BY TAXATION COMMITTEE
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4	A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION
5	15-30-203, MCA, TO MAKE <u>CHIEF_EXECUTIVE</u> OFFICERS OF
6	CORPORATIONS JOINTEXANDSEVERALLY LIABLE WITHTHE
7	EBRPORATION FOR PAYMENT OF TAX WITHHELD BY A CORPORATION
8	FROM EMPLOYEES IEIHEASSEISOEIHECORPORATIONARE
9	INSUFFICIENT_TO_PAY_THE_AMOUNT_OWED_THE_STATE."
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11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12	Section 1. Section 15-30-203. MCA, is amended to read:
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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.
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20	stateamountswithheld_from_the_corporation:s_employees is
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22	CORPORATION_ARE liable_with:the:corporation for_paysables
23	the state of amounts so withheld BY_THE_COMPORATION and for
24	the amount of penalty and interest due with respect the etc
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1 AMOUNT_OWED_THE_STATE.

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

10 deducted and withheld for the quarters beginning after 11 December 31, 1978.

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HB 0916/02

HB 0916/02

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12	deducted and withheld shall not be collected from the
13	employer."
14	Section 2. Effective date. This act is effective on
15	its passage and approval and applies with respect to amounts
16	deducted and withheld for the quarters beginning after

-End-

December 31, 1978.

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HB 916

REFERENCE BILL

HB 0916/04

1 HOUSE BILL NO. 916 INTRODUCED BY TAXATION COMMITTEE 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION 15-30-203+ HCA+ TO MAKE CHIEF-SKEEHTIVE OFFICERS AND 5 ENPLOYEES OF CORPORATIONS JOINTLY-AND-SEVERALLY LIABLE NITH 6 THE-EGRPORATION FOR PAYMENT OF TAX WITHHELD BY A CORPORATION 7 EMPLOYEES ##--THE--ASSETS--BE--THE---CORPORATION--ARE 8 FROM INSUFFICIENT-TO-PAY-THE-AMOUNT-OVED-THE-STATE." 9 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 11 12 Section 1. Section 15-30-203, MCA, is amended to read: =15-30-203. Employer liable for withholding. [1] Every 13 employer shall be liable for the amounts hereinbefore 14 required to be deducted and withheld, and such amounts PLUS 15 INTEREST DUE THEREDN shall be considered as a tax, and with 16 17 respect thereto the employer shall be considered a taxpayer. 18 421--if--the--employee--is--scorporationy--sa-officer thereof who find is required to second for and pay to the 19 state--apounts--withheld-frog-the-corporation's-employees-is 20 inintly-and-severally-THE-ENDEE-ENDENTIVE-OFFICERS--BF--THE 21 22 <u>SORPORATION--ARE</u> <u>lisble-with-the-corporation-for-powerst-to</u> 23 the state-of-econots-so-withheld BY-IME-GBROBATION and-for 24 #E-THE-ASSETS-BE-THE-EBRPORATION-ARE-INSULFILETENT-TO-PAY-THE 25

HB 0916/04

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December 31, 1978.

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-End-

REFERENCE BILL: Includes Free Joint -2-Conference Compittee Report Dated 4/18/40

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HB 916

SENATE STANDING COMMITTEE REPORT (Taxation)

That House Bill No. 916, third reading bill, be amended as follows: Title, line 5. 1. 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."