

HOUSE BILL NO. 219

INTRODUCED BY NORDTVEDT, VINGER

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

IN THE HOUSE

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| January 14, 1981 | Introduced and referred to Committee on Taxation. |
| January 16, 1981 | Fiscal Note requested. Committee recommend bill do pass as amended. Report adopted. Bill printed and placed on members' desks. |
| January 17, 1981 | Second reading, do pass as amended. On motion, rules suspended and bill placed on third reading this day. Third reading, passed. Transmitted to Senate. |

IN THE SENATE

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| January 19, 1981 | Introduced and referred to Committee on Taxation. |
| January 20, 1981 | Fiscal note returned. |
| February 2, 1981 | Committee recommend bill be concurred in as amended. Report adopted. |
| February 4, 1981 | Second reading, concurred in. On motion, rules suspended. Bill placed on calendar for third reading this day. |

February 4, 1981

Third reading, concurred in
as amended.

IN THE HOUSE

February 5, 1981

Returned from Senate with
amendments. Concurred in
as amended.

February 6, 1981

Second reading, amendments
concurred in.

February 7, 1981

Third reading, amendments
concurred in. Sent to
enrolling.

Reported correctly enrolled.

1 compute the amount of income tax payable and shall, at the
 2 time of filing the return required by this chapter, pay to
 3 the department any balance of income tax remaining unpaid
 4 after crediting the amount withheld as provided by 15-30-202
 5 and/or any payment made by reason of an estimated tax return
 6 provided for in 15-30-241; provided, however, the tax so
 7 computed is greater by \$1 than the amount withheld and/or
 8 paid by estimated return as provided in this chapter. If the
 9 amount of tax withheld and/or payment of estimated tax
 10 exceeds by more than \$1 the amount of income tax as
 11 computed, the taxpayer shall be entitled to a refund of the
 12 excess.

13 (5) As soon as practicable after the return is filed,
 14 the department shall examine and verify the tax.

15 (6) If the amount of tax as verified is greater than
 16 the amount theretofore paid, the excess shall be paid by the
 17 taxpayer to the department within 30 days after notice of
 18 the amount of the tax as computed, with interest added at
 19 the rate of 9% per annum or fraction thereof on the
 20 additional tax. In such case there shall be no penalty
 21 because of such understatement, provided the deficiency is
 22 paid within 30 days after the first notice of the amount is
 23 mailed to the taxpayer."

24 Section 2. Applicability. Section 1 is applicable only
 25 to taxable year 1960.

1 Section 3. Effective date -- termination. This act is
 2 effective on passage and approval and terminates at the end
 3 of taxable year 1980.

-End-

STATE OF MONTANA

REQUEST NO. 122-81

FISCAL NOTE

Form BD-15

In compliance with a written request received January 18, 19 81, there is hereby submitted a Fiscal Note for HOUSE BILL 219 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

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

An act to clarify and revise the amount an individual taxpayer must earn before filing an income tax return; limiting the application to taxable year beginning in 1980.

FISCAL IMPACT

This proposal would have a negligible effect upon individual income tax receipts. It would only apply to tax liabilities for tax years ending in 1980. Furthermore, it is believed that if a reduction in tax collections would result from this measure then the total amount of such reductions would be insignificant.

PREPARED BY THE DEPARTMENT OF REVENUE



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-20-81

Approved by Committee
on Taxation

HOUSE BILL NO. 219

INTRODUCED BY NORDTVEDT, VINGER

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY AND REVISE THE AMOUNT AN INDIVIDUAL TAXPAYER MUST EARN BEFORE FILING AN INCOME TAX RETURN; LIMITING THE APPLICATION TO TAXABLE YEARS BEGINNING IN 1980; AMENDING SECTION 15-30-142, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A TERMINATION DATE."

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

Section 1. Section 15-30-142, MCA, is amended to read:

"15-30-142. Returns and payment of tax -- penalty and interest -- refunds -- credits. (1) Every single individual and every married individual not filing a joint return with his or her spouse and having a gross income for the taxable year of more than ~~\$940~~ \$1,470 and married individuals not filing separate returns and having a combined gross income for the taxable year of more than ~~\$1,880~~ \$2,940 shall be liable for a return to be filed on such forms and according to such rules as the department may prescribe. The gross income amounts referred to in the preceding sentence shall be increased by ~~\$800~~ \$1,250 for each additional personal exemption allowance the taxpayer is entitled to claim for

himself and his spouse under 15-30-112(3) and (4). A nonresident shall be required to file a return if his gross income for the taxable year derived from sources within Montana exceeds the amount of the exemption deduction he is entitled to claim for himself and his spouse under the provisions of 15-30-112(2), (3), and (4), as prorated according to 15-30-112(6).

(2) In accordance with instructions set forth by the department, every taxpayer who is married and living with husband or wife and is required to file a return may, at his or her option, file a joint return with husband or wife even though one of the spouses has neither gross income nor deductions. If a joint return is made, the tax shall be computed on the aggregate taxable income and the liability with respect to the tax shall be joint and several. If a joint return has been filed for a taxable year, the spouses may not file separate returns after the time for filing the return of either has expired unless the department so consents.

(3) If any such taxpayer is unable to make his own return, the return shall be made by a duly authorized agent or by a guardian or other person charged with the care of the person or property of such taxpayer.

(4) All taxpayers, including but not limited to those subject to the provisions of 15-30-202 and 15-30-241, shall

1 compute the amount of income tax payable and shall, at the
 2 time of filing the return required by this chapter, pay to
 3 the department any balance of income tax remaining unpaid
 4 after crediting the amount withheld as provided by 15-30-202
 5 and/or any payment made by reason of an estimated tax return
 6 provided for in 15-30-241; provided, however, the tax so
 7 computed is greater by \$1 than the amount withheld and/or
 8 paid by estimated return as provided in this chapter. If the
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 19 the rate of 9% per annum or fraction thereof on the
 20 additional tax. In such case there shall be no penalty
 21 because of such understatement, provided the deficiency is
 22 paid within 30 days after the first notice of the amount is
 23 mailed to the taxpayer."

24 Section 2. Applicability. Section 1 is applicable only
 25 to taxable year 1980.

1 Section 3. Effective date -- termination. This act is
 2 effective on passage and approval ~~and terminates at the end~~
 3 ~~of taxable year 1980.~~

-End-

1 HOUSE BILL NO. 219

2 INTRODUCED BY NORDTVEDT, VINGER

3 BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

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18 year of more than ~~\$940~~ \$1,470 and married individuals not
19 filing separate returns and having a combined gross income
20 for the taxable year of more than ~~\$1,800~~ \$2,940 shall be
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22 to such rules as the department may prescribe. The gross
23 income amounts referred to in the preceding sentence shall
24 be increased by ~~\$800~~ \$1,250 for each additional personal
25 exemption allowance the taxpayer is entitled to claim for

1 himself and his spouse under 15-30-112(3) and (4). A
2 nonresident shall be required to file a return if his gross
3 income for the taxable year derived from sources within
4 Montana exceeds the amount of the exemption deduction he is
5 entitled to claim for himself and his spouse under the
6 provisions of 15-30-112(2), (3), and (4), as prorated
7 according to 15-30-112(6).

8 (2) In accordance with instructions set forth by the
9 department, every taxpayer who is married and living with
10 husband or wife and is required to file a return may, at his
11 or her option, file a joint return with husband or wife even
12 though one of the spouses has neither gross income nor
13 deductions. If a joint return is made, the tax shall be
14 computed on the aggregate taxable income and the liability
15 with respect to the tax shall be joint and several. If a
16 joint return has been filed for a taxable year, the spouses
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 21 liable for a return to be filed on such forms and according
 22 to such rules as the department may prescribe. The gross
 23 income amounts referred to in the preceding sentence shall
 24 be increased by ~~\$600~~ \$1,250 for each additional personal
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 23 mailed to the taxpayer."

24 Section 2. Applicability. Section 1 is applicable only
 25 to taxable year 1980.

1 Section 3. Effective date ~~---termination~~. This act is
 2 effective on passage and approval ~~and-terminates-at-the-end~~
 3 ~~of-taxable-year-1980~~.

-End-

February 2, 1981

SENATE STANDING COMMITTEE REPORT
(Taxation)

That House Bill No. 219 be amended as follows:

1. TITLE, lines 9 and 10.

Following: "EFFECTIVE DATE"

Strike: "AND A TERMINATION DATE"

2. Page 4, line 1.

Following: "date"

Strike: "-- termination"

3. Page 4, lines 2 and 3

Following: "approval"

Strike: "and terminates at the end of taxable year 1980"