

HOUSE JOINT RESOLUTION NO. 5

INTRODUCED BY FABREGA, NORMAN, GOODOVER, HUENNEKENS, NORDTVEDT

IN THE HOUSE

January 10, 1981	Introduced and referred to Committee on Taxation.
January 16, 1981	Committee recommend bill do pass. Report adopted. Bill printed and placed on members' desks.
January 17, 1981	Second reading, do pass. On motion rules suspended and bill placed on third reading this day. Third reading, passed. Transmitted to Senate.

IN THE SENATE

January 19, 1981	Introduced and referred to Committee on Taxation.
January 27, 1981	Committee recommend bill be concurred in. Report adopted.
January 29, 1981	Second reading, concurred in.
January 31, 1981	Third reading, concurred in.

IN THE HOUSE

February 2, 1981	Returned from Senate. Concurred in.
February 11, 1981	Sent to enrolling. Reported correctly enrolled.

HOUSE JOINT RESOLUTION NO. 5

INTRODUCED BY *F. Eugene Norman* Governor
Amundson Lieutenant

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA ESTABLISHING A SELECT COMMITTEE TO RESOLVE QUESTIONS RELATING TO THE VALUATION OF COMMERCIAL AND RESIDENTIAL PROPERTY FOR TAXATION.

WHEREAS, there appears to be a discrepancy between the way commercial property and residential property in Montana is valued for taxation; and

WHEREAS, plaintiffs in many lawsuits filed against the State of Montana allege that these discrepancies result in valuation disparities as high as 34%; and

WHEREAS, the State Tax Appeal Board has determined that such discrepancies do exist and has recommended relief for those taxpayers adversely affected; and

WHEREAS, the Department of Revenue has not agreed with plaintiffs that a serious discrepancy exists and has appealed Board determinations to the contrary; and

WHEREAS, the Montana Supreme Court has agreed in principle that there is an unconstitutional discrepancy, but does not agree that a 34% across-the-board measure of the discrepancy is necessarily correct; and

WHEREAS, local government units, which depend upon property tax revenues to provide government services, have been unable to collect revenues from a great deal of commercial property while this controversy continues and have suffered financial hardship and have seen tax increment financing programs and other needed local government activities jeopardized; and

WHEREAS, the 47th Legislature must address this issue so as to assure that an equitable method for valuation of commercial and residential property is achieved, to relieve the taxpayers and the state of the burden of continued lawsuits, and to settle the financial questions plaguing taxpayers and local governments neither of whom have the use of taxes paid under protest.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That the Legislature constitute a select committee to meet and recommend to the Legislature the best means to achieve remediation of the problems recited above; and

BE IT FURTHER RESOLVED, that the committee consist of two members of the House, one from each political party, appointed by the speaker; two members of the Senate, one from each political party, appointed by the Committee on Committees; and the chairman of the Revenue Oversight

1 Committee; and

2 BE IT FURTHER RESOLVED, that the chairman of the State
3 Tax Appeal Board and the director of the Department of
4 Revenue are requested to serve as members of the committee;
5 and

6 BE IT FURTHER RESOLVED, that the select committee
7 submit its recommendations to the Legislature not later than
8 the 50th legislative day to allow for introduction and
9 consideration of legislation during this session; and

10 BE IT FURTHER RESOLVED, that Joint Rule 6-7 is
11 suspended to allow introduction of such legislation as may
12 be recommended by the committee.

-End-

Approved by Committee
on Taxation

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Ernie Norman Goodover
Hummel *Wittbrodt*

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LC 1208/01

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Norman Goodover
Hannick *Wahlbratt*

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HJR 0005/02

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