

SENATE BILL NO. 279

INTRODUCED BY GOODOVER, FABREGA, LEE, MEYER, MATSKO,  
KOLSTAD, KEATING, HAZELBAKER, P. RYAN, JOHNSON, NORMAN

IN THE SENATE

January 26, 1981	Introduced and referred to Committee on Taxation.
	Fiscal note requested.
February 2, 1981	Fiscal note returned.
February 18, 1981	Committee recommend bill do pass. Report adopted.
February 19, 1981	Bill printed and placed on members' desks.
February 20, 1981	Second reading, do pass.
February 23, 1981	Correctly engrossed.
February 24, 1981	Third reading, passed. Ayes, 50; Noes, 0. Transmitted to House.

IN THE HOUSE

March 2, 1981	Introduced and referred to Committee on Taxation.
March 16, 1981	Committee recommend bill be concurred in. Report adopted.
March 20, 1981	Second reading, concurred in.
March 23, 1981	Third reading, concurred in. Ayes, 88; Noes, 9.

IN THE SENATE

March 24, 1981	Returned from House. Concurred in. Sent to enrolling. Reported correctly enrolled.
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1 *Ames* BILL NO. *1279* *Hestberg*  
 2 INTRODUCED BY *Boyd* *Johnson* *Norman*  
 3 *Walters* *Hall* *Ryan* *Johnson* *Norman*

4 A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING SECTION  
 5 16-1-411, MCA, TO STANDARDIZE THE TIMING OF IMPOSITION OF  
 6 THE TABLE WINE TAX ON WINE DISTRIBUTORS; TO IMPOSE A PENALTY  
 7 AND INTEREST CHARGE FOR FAILURE OF A TABLE WINE DISTRIBUTOR  
 8 TO FILE A RETURN OR TO PAY TAX ON IMPORTED TABLE WINE; TO  
 9 PROVIDE A TRANSITION PERIOD; AND PROVIDING AN EFFECTIVE  
 10 DATE."

11  
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 Section 1. Section 16-1-411, MCA, is amended to read:  
 14 "16-1-411. Tax on wine. (1) A tax of 20 cents per  
 15 liter is hereby levied and imposed on table wine imported by  
 16 any table wine distributor or the department.

17 (2) (a) The tax on table wine imported by a table wine  
 18 distributor shall be paid by the table wine distributor by  
 19 the 15th day of the month following receipt ~~sale~~ of the  
 20 table wine ~~at from~~ the table wine distributor's warehouse.  
 21 ~~Failure to file a table wine tax return or failure to pay~~  
 22 ~~the tax required by this section subjects the table wine~~  
 23 ~~distributor to the penalties and interest provided for in~~  
 24 ~~16-1-409.~~

25 (b) The tax paid by a table wine distributor shall be

1 distributed 16 cents to the state general fund; and of the  
 2 remaining 4 cents one-third to the earmarked revenue account  
 3 to the credit of the department of institutions for the  
 4 treatment, rehabilitation, and prevention of alcoholism,  
 5 one-third to the counties, based on population, for the  
 6 purpose established in 16-1-404, and one-third to the cities  
 7 and towns, based on population, for the purpose established  
 8 in 16-1-405.

9 (3) The tax on table wine imported by the department  
 10 shall be collected at the time of sale, be retained in a  
 11 separate account, and be deposited with the state treasurer  
 12 to the credit of the general fund not later than the 10th  
 13 day of the month following the sale.

14 (4) The tax computed and paid in accordance with this  
 15 section shall be the only tax imposed by the state or any of  
 16 its subdivisions, including cities and towns."

17 Section 2. Transition. Each table wine distributor  
 18 shall take inventory of all table wine in his warehouse at  
 19 the close of business on June 30, 1981, and shall file his  
 20 sworn statement thereof with the department within 7 days  
 21 thereafter. He is liable for the tax on all wine received by  
 22 him during the month of June, 1981, under the provisions of  
 23 16-1-411 prior to its amendment by this act, and such tax is  
 24 due on July 15, 1981. He is liable for the tax on all wine  
 25 sold by him in the month of July, 1981, under the provisions

LC 1106/01

1 of this act, and such tax is due on August 15, 1981. He may  
2 claim as a credit against the wine tax due on July 15, 1981,  
3 and any following months until the credit is exhausted, 20  
4 cents multiplied by the number of liters of table wine in  
5 his warehouse at the close of business June 30, 1981.

6 Section 3. Effective date. This act is effective on  
7 June 1, 1981.

-End-

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STATE OF MONTANA

REQUEST NO. ~~230-81~~

FISCAL NOTE

Form BD-15

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In compliance with a written request received January 29, 19 81, there is hereby submitted a Fiscal Note for SENATE BILL 279 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.

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DESCRIPTION

An act to standardize the timing of imposition of the table wine tax on wine distributors; to impose a penalty and interest charge for failure of a table wine distributor to file a return or to pay tax on imported table wine; to provide a transition period and an effective date.

FISCAL IMPACT

Data on wine taxes that would be paid by distributors in the biennium are unavailable. If the bill would have gone into effect in FY 80 and distributors on average carry a 15% inventory, the first year revenue impact would have been approximately \$235,000. Presumably this foregone revenue would be captured in the following fiscal year if inventories are assumed to hold relatively constant. It appears the only long run loss of revenue would result from breakage, spoilage, etc., which creates a divergence between purchase and sales.

PREPARED BY THE DEPARTMENT OF REVENUE



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-29-81

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Approved by Committee  
on Taxation

1 *Heating*  
 2 INTRODUCTION BY *Heating* BILL NO. *1279*  
 3 *Wastel* *Co Meyer*  
 4 *Hall* *Ryan* *Johansen* *Norman*

4 A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING SECTION  
 5 16-1-411, MCA, TO STANDARDIZE THE TIMING OF IMPOSITION OF  
 6 THE TABLE WINE TAX ON WINE DISTRIBUTORS; TO IMPOSE A PENALTY  
 7 AND INTEREST CHARGE FOR FAILURE OF A TABLE WINE DISTRIBUTOR  
 8 TO FILE A RETURN OR TO PAY TAX ON IMPORTED TABLE WINE; TO  
 9 PROVIDE A TRANSITION PERIOD; AND PROVIDING AN EFFECTIVE  
 10 DATE."

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 15 liter is hereby levied and imposed on table wine imported by  
 16 any table wine distributor or the department.

17 (2) (a) The tax on table wine imported by a table wine  
 18 distributor shall be paid by the table wine distributor by  
 19 the 15th day of the month following receipt sale of the  
 20 table wine ~~at from~~ the table wine distributor's warehouse.  
 21 ~~Failure to file a table wine tax return or failure to pay~~  
 22 ~~the tax required by this section subjects the table wine~~  
 23 ~~distributor to the penalties and interest provided for in~~  
 24 ~~16-1-409.~~

25 (b) The tax paid by a table wine distributor shall be

1 distributed 16 cents to the state general fund; and of the  
 2 remaining 4 cents one-third to the earmarked revenue account  
 3 to the credit of the department of institutions for the  
 4 treatment, rehabilitation, and prevention of alcoholism,  
 5 one-third to the counties, based on population, for the  
 6 purpose established in 16-1-404, and one-third to the cities  
 7 and towns, based on population, for the purpose established  
 8 in 16-1-405.

9 (3) The tax on table wine imported by the department  
 10 shall be collected at the time of sale, be retained in a  
 11 separate account, and be deposited with the state treasurer  
 12 to the credit of the general fund not later than the 10th  
 13 day of the month following the sale.

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 15 section shall be the only tax imposed by the state or any of  
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17 Section 2. Transition. Each table wine distributor  
 18 shall take inventory of all table wine in his warehouse at  
 19 the close of business on June 30, 1981, and shall file his  
 20 sworn statement thereof with the department within 7 days  
 21 thereafter. He is liable for the tax on all wine received by  
 22 him during the month of June, 1981, under the provisions of  
 23 16-1-411 prior to its amendment by this act, and such tax is  
 24 due on July 15, 1981. He is liable for the tax on all wine  
 25 sold by him in the month of July, 1981, under the provisions

SB 279

LC 1106/01

1 of this act, and such tax is due on August 15, 1981. He may  
2 claim as a credit against the wine tax due on July 15, 1981,  
3 and any following months until the credit is exhausted, 20  
4 cents multiplied by the number of liters of table wine in  
5 his warehouse at the close of business June 30, 1981.

6 Section 3. Effective date. This act is effective on  
7 June 1, 1981.

-End-

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*Heating*  
BILL NO. *5379*  
*Castal*  
*Lee Meyer*  
*Johnson*  
*Noman*

INTRODUCED BY

A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING SECTION 16-1-411, MCA, TO STANDARDIZE THE TIMING OF IMPOSITION OF THE TABLE WINE TAX ON WINE DISTRIBUTORS; TO IMPOSE A PENALTY AND INTEREST CHARGE FOR FAILURE OF A TABLE WINE DISTRIBUTOR TO FILE A RETURN OR TO PAY TAX ON IMPORTED TABLE WINE; TO PROVIDE A TRANSITION PERIOD; AND PROVIDING AN EFFECTIVE DATE."

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(b) The tax paid by a table wine distributor shall be

distributed 16 cents to the state general fund; and of the remaining 4 cents one-third to the earmarked revenue account to the credit of the department of institutions for the treatment, rehabilitation, and prevention of alcoholism, one-third to the counties, based on population, for the purpose established in 16-1-404, and one-third to the cities and towns, based on population, for the purpose established in 16-1-405.

(3) The tax on table wine imported by the department shall be collected at the time of sale, be retained in a separate account, and be deposited with the state treasurer to the credit of the general fund not later than the 10th day of the month following the sale.

(4) The tax computed and paid in accordance with this section shall be the only tax imposed by the state or any of its subdivisions, including cities and towns."

Section 2. Transition. Each table wine distributor shall take inventory of all table wine in his warehouse at the close of business on June 30, 1981, and shall file his sworn statement thereof with the department within 7 days thereafter. He is liable for the tax on all wine received by him during the month of June, 1981, under the provisions of 16-1-411 prior to its amendment by this act, and such tax is due on July 15, 1981. He is liable for the tax on all wine sold by him in the month of July, 1981, under the provisions

LC 1106/01

1 of this act, and such tax is due on August 15, 1981. He may  
2 claim as a credit against the wine tax due on July 15, 1981,  
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