

SENATE BILL NO. 110

INTRODUCED BY TOWE, NORMAN, NORDTVEDT

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

IN THE SENATE

January 12, 1983	Introduced and referred to Committee on Taxation.
January 29, 1983	Committee recommend bill do pass as amended. Report adopted.
January 31, 1983	Bill printed and placed on members' desks.
February 1, 1983	Second reading, do pass.
February 2, 1983	Correctly engrossed.
February 3, 1983	Third reading, passed. Ayes, 50; Noes, 0. Transmitted to House.

IN THE HOUSE

February 4, 1983	Introduced and referred to Committee on Taxation.
March 5, 1983	Committee recommend bill be concurred in. Report adopted.
March 7, 1983	Second reading, concurred in.
March 8, 1983	Third reading, concurred in.

IN THE SENATE

March 9, 1983

Returned to Senate.

Sent to enrolling.

Reported correctly
enrolled.

1 *S.B.* BILL NO. *42*
2 INTRODUCED BY *Sen. Norman Lindhult*
3 BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO SPECIFICALLY PROVIDE
6 FOR INTEREST TO BE ASSESSED ON THE MINES NET PROCEEDS AND
7 GROSS PROCEEDS TAXES; AMENDING SECTIONS 15-23-507 AND
8 15-23-804, MCA."
9

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

11 Section 1. Section 15-23-507, MCA, is amended to read:

12 "15-23-507. Taxation and payment on royalty interests.
13 At the time of transmitting net proceeds assessments, the
14 department of revenue shall also transmit the royalty lists
15 or schedules to the county assessor of each county in which
16 such mines and mining claims are located. Thereupon the
17 county assessor shall prepare from such net proceeds and
18 royalty assessments a tax roll which shall be by him
19 furnished to the county treasurer on or before September 15
20 following, as specified in this section. Said taxes shall be
21 due and payable. Assessments of royalty on production of
22 metals and minerals other than petroleum and natural gas
23 shall be entered by the county assessor in the personal
24 property assessment book in the name of the recipient or
25 owner of such royalty. The county treasurer shall proceed to

1 give full notice thereof to such recipient or royalty owner
2 and to collect the taxes thereon in the same manner as taxes
3 on net proceeds of mines. Taxes on such royalty assessments
4 and taxes on net proceeds of mines shall be payable at the
5 times specified in 15-16-102, ~~and any delinquencies in the~~
6 ~~payment of same shall be subject to the interest and~~
7 ~~penalties provided in 15-16-102."~~

8 Section 2. Section 15-23-804, MCA, is amended to read:

9 "15-23-804. Taxation of merchantable value. The
10 department's agent shall prepare from the reported valuation
11 a tax roll which shall be transmitted to the county
12 treasurer on or before September 15 each year. The county
13 treasurer shall proceed to give full notice thereof to each
14 metal producer and to collect the taxes due at the times
15 provided for in 15-16-102, ~~and any delinquencies in the~~
16 ~~payment of same shall be subject to the interest and~~
17 ~~penalties provided for in 15-16-102."~~

18 NEW SECTION. Section 3. Interest. If the department
19 determines that a taxpayer has improperly reported a value
20 under 15-23-502, 15-23-602, 15-23-701, or 15-23-802, the
21 department shall inform its agents at the county level of
22 such determination, and if any additional tax is due, there
23 must be added thereto interest at the rate of 1% a month or
24 fraction thereof from the date the original tax was due and
25 payable.

INTRODUCED BILL

1 NEW SECTION. Section 4. Codification instruction.
2 Section 3 is intended to be codified as an integral part of
3 Title 15, chapter 23, part 1, and the provisions of Title
4 15, chapter 23, part 1, apply to section 3.

-End-

Approved by committee
on Taxation

SENATE BILL NO. 110

INTRODUCED BY TOWE, NORMAN, NORDVIEDT

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO SPECIFICALLY PROVIDE FOR INTEREST TO BE ASSESSED ON THE MINES NET PROCEEDS AND GROSS PROCEEDS TAXES; AMENDING SECTIONS 15-23-507 AND 15-23-804; H&A."

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

Section 1. Section 15-23-507, H&A, is amended to read:

"15-23-507. Taxation and payment on royalty interests.

At the time of transmitting net proceeds assessments, the department of revenue shall also transmit the royalty lists or schedules to the county assessor of each county in which such mines and mining claims are located. Thereupon the county assessor shall prepare from such net proceeds and royalty assessments a tax roll which shall be by him furnished to the county treasurer on or before September 15 following as specified in this section. Said taxes shall be due and payable. Assessments of royalty on production of metals and minerals other than petroleum and natural gas shall be entered by the county assessor in the personal property assessment book in the name of the recipient or owner of such royalty. The county treasurer shall proceed to

give full notice thereof to such recipient or royalty owner and to collect the taxes thereon in the same manner as taxes on net proceeds of mines. Taxes on such royalty assessments and taxes on net proceeds of mines shall be payable at the times specified in 15-16-102 and any delinquencies in the payment of same shall be subject to the interest and penalties provided in 15-16-102."

Section 2. Section 15-23-804, H&A, is amended to read:

"15-23-804. Taxation of merchantable values. The department's agent shall prepare from the reported valuation a tax roll which shall be transmitted to the county treasurer on or before September 15 each year. The county treasurer shall proceed to give full notice thereof to each metal producer and to collect the taxes due at the times provided for in 15-16-102 and any delinquencies in the payment of same shall be subject to the interest and penalties provided for in 15-16-102."

NEW SECTION. Section 1. Interest. If the department determines that a taxpayer has improperly INCORRECTLY reported a value under 15-23-502, 15-23-602, 15-23-701, or 15-23-802, the department shall inform its agents at the county level of such determination, and if any additional tax is due, there must be added thereto UNTIL PAID IN FULL interest at the rate of 1% a month or fraction thereof from the date the original tax was due and payable. IN NO

1 ~~INSTANCE WILL A TAXPAYER SUBJECT TO IMPOSITION OF INTEREST~~
2 ~~PURSUANT TO THIS SECTION BE ALSO SUBJECT TO THE PENALTY AND~~
3 ~~INTEREST PROVISIONS CONTAINED IN 15-16-102.~~

4 ~~NEW SECTION.~~ Section 2. Codification Instruction.
5 Section 3 1 is intended to be codified as an integral part
6 of Title 15, chapter 23, part 1, and the provisions of Title
7 15, chapter 23, part 1, apply to section 3 1.

-End-

SENATE BILL NO. 110

INTRODUCED BY TOWE, NORMAN, NORDTVEDT

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO SPECIFICALLY PROVIDE FOR INTEREST TO BE ASSESSED ON THE MINES NET PROCEEDS AND GROSS PROCEEDS TAXES;--AMENDING--SECTIONS--15-23-507--AND 15-23-804;--MCA."

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

~~Section 1. Section 15-23-507, MCA, is amended to read:~~
~~"15-23-507. Taxation and payment on royalty interests.~~
~~At the time of transmitting net proceeds assessments, the~~
~~department of revenue shall also transmit the royalty lists~~
~~or schedules to the county assessor of each county in which~~
~~such mines and mining claims are located. Thereupon the~~
~~county assessor shall prepare from such net proceeds and~~
~~royalty assessments a tax roll which shall be by him~~
~~furnished to the county treasurer on or before September 15~~
~~following as specified in this section. Said taxes shall be~~
~~due and payable. Assessments of royalty on production of~~
~~metals and minerals other than petroleum and natural gas~~
~~shall be entered by the county assessor in the personal~~
~~property assessment book in the name of the recipient or~~
~~owner of such royalty. The county treasurer shall proceed to~~

~~give full notice thereof to such recipient or royalty owner~~
~~and to collect the taxes thereon in the same manner as taxes~~
~~on net proceeds of mines. Taxes on such royalty assessments~~
~~and taxes on net proceeds of mines shall be payable at the~~
~~times specified in 15-16-102, and any delinquencies in the~~
~~payment of same shall be subject to the interest and~~
~~penalties provided in 15-16-102."~~

~~Section 2. Section 15-23-804, MCA, is amended to read:~~
~~"15-23-804. Taxation of merchantable values. The~~
~~department's agent shall prepare from the reported valuation~~
~~a tax roll which shall be transmitted to the county~~
~~treasurer on or before September 15 each year. The county~~
~~treasurer shall proceed to give full notice thereof to each~~
~~metal producer and to collect the taxes due at the times~~
~~provided for in 15-16-102, and any delinquencies in the~~
~~payment of same shall be subject to the interest and~~
~~penalties provided for in 15-16-102."~~

~~NEW SECTION. Section 1. Interest. If the department~~
~~determines that a taxpayer has improperly~~ INCORRECTLY
~~reported a value under 15-23-502, 15-23-602, 15-23-701, or~~
~~15-23-802, the department shall inform its agents at the~~
~~county level of such determination, and if any additional~~
~~tax is due, there must be added thereto~~ UNTIL PAID IN FULL
~~interest at the rate of 1% a month or fraction thereof from~~
~~the date the original tax was due and payable.~~ IN NO

1 ~~INSTANCE WILL A TAXPAYER SUBJECT TO IMPOSITION OF INTEREST~~
2 ~~PURSUANT TO THIS SECTION BE ALSO SUBJECT TO THE PENALTY AND~~
3 ~~INTEREST PROVISIONS CONTAINED IN 15-16-102.~~

4 NEW SECTION. Section 2. Codification Instruction.
5 Section 3 1 is intended to be codified as an integral part
6 of Title 15, chapter 23, part 1, and the provisions of Title
7 15, chapter 23, part 1, apply to section 3 1.

-End-

1 STATEMENT OF INTENT

2 HOUSE BILL 110

3 House Education Committee

4
5 A statement of intent is required for this bill because
6 it grants rulemaking authority to the Montana Historical
7 Society and the Montana Arts Council for the purpose of
8 specifying the criteria the advisory committee shall use
9 when evaluating and making recommendation on cultural and
10 aesthetic grant proposals submitted to the legislature.

11 It is contemplated that the Montana Historical Society
12 and the Montana Arts Council will adopt rules that specify
13 the following general criteria that the advisory committee
14 will consider in making recommendations:

15 (1) Quality - ability/experience of project staff;
16 excellence of performers.

17 (2) Cultural impact - how important is the project to
18 the cultural development of the state? Will the project
19 stimulate a large number of people or a number of
20 communities?

21 (3) Project diversity - a variety of different
22 interests and disciplines should be served.

23 (4) Geographical diversity - to the extent possible,
24 the grants should assist the entire state.

25 (5) Project costs - if grant funds are limited, some

1 preference should be given to projects requiring smaller
2 grants.

3 (6) Seed money requests - will a grant enable the
4 project or its sponsors to generate other funds or otherwise
5 to make the project self-supporting?

6 (7) Availability/appropriateness - have applicants
7 attempted to procure other funds? Are there other sources
8 that are appropriate?

9 (8) Self-help - does the applicant seek full funding
10 from coal tax funds, or has he arranged alternate financing
11 to the extent possible?

12 (9) Creativity - is the project so innovative,
13 beneficial, and practical that by example it will stimulate
14 other projects?

HB 110

HOUSE BILL NO. 110

INTRODUCED BY WINSLOW, ROUSH, SCHULTZ, KEYSER, ELLIOTT

A BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE THE CULTURAL AND AESTHETIC GRANTS PROGRAM; ESTABLISHING A CULTURAL AND AESTHETIC PROJECTS ADVISORY COMMITTEE; PROVIDING THAT THE COMMITTEE SUBMIT RECOMMENDATIONS TO THE LEGISLATURE ON CULTURAL AND AESTHETIC GRANT PROPOSALS FUNDED FROM THE COAL SEVERANCE TAX TRUST FUND FOR PARKS AND CULTURAL PROJECTS; AMENDING SECTION 22-3-112, MCA."

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

Section 1. Section 22-3-112, MCA, is amended to read:

"22-3-112. Cultural and aesthetic projects grants. (1)

Any person, association, or representative of a governing unit seeking a grant for a cultural or aesthetic project from the income of the trust fund created in 15-35-108 must submit a grant proposal to the ~~board--of--trustees~~ cultural and aesthetic projects advisory committee, in care of the Montana historical society, by ~~December~~ September 1 of the year preceding the convening of a regular legislative session.

(2) ~~The board of trustees of the Montana historical society--shall present to the legislature by the 15th day of any legislative session a list of grant proposals to be made~~

~~from the cultural and aesthetic projects account to any department, agency, board, commission or other division of the state government or to any local government unit. These grant~~ Grant proposals shall ~~must~~ be for the purpose of protecting works of art in the state capitol or other cultural and aesthetic projects.

~~(3) The legislature must appropriate funds from this account before any grant is awarded.~~

~~(4) The grant proposals approved by the legislature shall be administered by the Montana historical society."~~

NEW SECTION. Section 2. Cultural and aesthetic projects advisory committee -- terms and compensation. (1) There is a cultural and aesthetic projects advisory committee.

(2) The committee consists of 16 members, appointed as follows:

(a) eight members appointed by the Montana historical society board of trustees; and

(b) eight members appointed by the Montana arts council.

(3) Members shall hold office for 4 years beginning January 1 following their appointment.

(4) A member may be removed by the appointing authority.

(5) All vacancies shall be filled by the original

1 appointing authority.

2 (6) The committee shall elect a chairman and
3 vice-chairman.

4 (7) Members of the committee are entitled to
5 compensation of \$25 a day and travel expenses, as provided
6 for in 2-18-501 through 2-18-503, for each day in attendance
7 at a committee meeting.

8 **NEW SECTION.** Section 3. Advisory committee -- powers
9 and duties. (1) The cultural and aesthetic projects
10 advisory committee shall review all proposals for cultural
11 and aesthetic project grants before they are submitted to
12 the legislature.

13 (2) Consistent with the rules adopted in accordance
14 with [section 5], the committee shall make recommendations
15 to the legislature on each proposal submitted to the
16 committee.

17 (3) The committee's recommendations to the legislature
18 are advisory only.

19 (4) The committee shall present its recommendations to
20 the appropriations committee of the legislature by the 15th
21 day of any regular legislative session.

22 **NEW SECTION.** Section 4. Cultural and aesthetic
23 project appropriations -- administration. (1) The
24 legislature must appropriate funds from the income of the
25 trust fund created in 15-35-108(2)(h) before any grant for a

1 cultural or aesthetic project is awarded.

2 (2) Costs incurred by the Montana--historical--society
3 and the Montana arts council for accounting, correspondence,
4 project visits, and solicitation of proposals related to
5 cultural and aesthetic project grants and the costs of the
6 advisory committee established in [section 2] shall be paid
7 from appropriations from the income of the trust fund.

8 (3) Grant proposals approved by the legislature shall
9 be administered by the

10 ~~(a) Montana--historical--society--when--they--are~~
11 ~~predominately of a historical nature; or~~

12 ~~(b) Montana arts council when they are predominately~~
13 ~~related to artistic endeavors;~~

14 ~~(4) The legislature shall designate in the~~
15 ~~appropriation authorization the responsible administering~~
16 ~~agency ARE HEARD BY THE LEGISLATIVE APPROPRIATIONS~~
17 ~~SUBCOMMITTEE THAT HEARS THE BUDGET REQUESTS OF THE MONTANA~~
18 ~~ARTS COUNCIL AND THE MONTANA HISTORICAL SOCIETY.~~

19 ~~(4) GRANT PROPOSALS APPROVED BY THE LEGISLATURE ARE~~
20 ~~ADMINISTERED BY THE MONTANA ARTS COUNCIL.~~

21 **NEW SECTION.** Section 5. Rulemaking authority. The
22 Montana historical society and the Montana arts council
23 shall adopt rules that specify the criteria the advisory
24 committee shall use when evaluating and making
25 recommendations on cultural and aesthetic grant proposals

1 submitted to the legislature.

2 ~~NEW SECTION.~~ Section 6. Initial appointments. The
3 initial appointments made under the provisions of [section
4 2] shall be staggered in the following manner:

5 (1) Two of the members appointed by the Montana
6 historical society and four of the members appointed by the
7 Montana arts council shall serve 2-year terms.

8 (2) Two of the members appointed by the Montana
9 historical society and two of the members appointed by the
10 Montana arts council shall serve 3-year terms.

11 (3) Four of the members appointed by the Montana
12 historical society and two of the members appointed by the
13 Montana arts council shall serve 4-year terms.

-End-

SENATE BILL NO. 110

INTRODUCED BY TOWE, NORMAN, NORDTVEDT

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO SPECIFICALLY PROVIDE FOR INTEREST TO BE ASSESSED ON THE MINES NET PROCEEDS AND GROSS PROCEEDS TAXES; AMENDING SECTIONS 15-23-507 AND 15-23-804; MCA."

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

Section 15-23-507 MCA is amended to read:

"15-23-507. Taxation and payment on royalty interests. At the time of transmitting net proceeds assessments, the department of revenue shall also transmit the royalty lists or schedules to the county assessor of each county in which such mines and mining claims are located. Thereupon the county assessor shall prepare from such net proceeds and royalty assessments a tax roll which shall be by him furnished to the county treasurer on or before September 15 following as specified in this section. Said taxes shall be due and payable. Assessments of royalty on production of metals and minerals other than petroleum and natural gas shall be entered by the county assessor in the personal property assessment book in the name of the recipient or owner of such royalty. The county treasurer shall proceed to

give full notice thereof to such recipient or royalty owner and to collect the taxes thereon in the same manner as taxes on net proceeds of mines. Taxes on such royalty assessments and taxes on net proceeds of mines shall be payable at the times specified in 15-16-102 and any delinquencies in the payment of same shall be subject to the interest and penalties provided in 15-16-102."

Section 25-Section 15-23-804 MCA is amended to read:

"15-23-804. Taxation of merchantable values. The department's agent shall prepare from the reported valuation a tax roll which shall be transmitted to the county treasurer on or before September 15 each year. The county treasurer shall proceed to give full notice thereof to each metal producer and to collect the taxes due at the times provided for in 15-16-102 and any delinquencies in the payment of same shall be subject to the interest and penalties provided for in 15-16-102."

NEW SECTION. Section 1. Interest. If the department determines that a taxpayer has improperly INCORRECTLY reported a value under 15-23-502, 15-23-602, 15-23-701, or 15-23-802, the department shall inform its agents at the county level of such determination, and if any additional tax is due, there must be added thereto UNTIL PAID IN FULL interest at the rate of 1% a month or fraction thereof from the date the original tax was due and payable. IN NO

1 ~~INSTAYCE WILL A TAXPAYER SUBJECT TO IMPOSITION OF INTEREST~~
2 ~~PURSUANT TO THIS SECTION BE ALSO SUBJECT TO THE PENALTY AND~~
3 ~~INTEREST PROVISIONS CONTAINED IN 15-16-102.~~

4 ~~NEW SECTION.~~ Section 2. Codification instruction.
5 Section 3 1 is intended to be codified as an integral part
6 of Title 15, chapter 23, part 1, and the provisions of Title
7 15, chapter 23, part 1, apply to section 3 1.

-End-