

SENATE BILL NO. 243

INTRODUCED BY TOWE

BY REQUEST OF THE DEPARTMENT OF REVENUE

IN THE SENATE

January 21, 1983	Introduced and referred to Committee on Taxation.
February 16, 1983	Committee recommend bill do pass as amended. Report adopted.
February 17, 1983	Bill printed and placed on members' desks.
February 18, 1983	Second reading, do pass.
February 19, 1983	Correctly engrossed.
February 21, 1983	Third reading, passed. Ayes, 42; Noes, 8. Transmitted to House.

IN THE HOUSE

March 1, 1983	Introduced and referred to Committee on Taxation.
March 11, 1983	Committee recommend bill be concurred in. Report adopted.
March 14, 1983	Second reading, concurred in.
March 15, 1983	Third reading, concurred in.

IN THE SENATE

March 16, 1983	Returned to Senate. Sent to enrolling.  Reported correctly enrolled.
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BILL NO. 243INTRODUCED BY Sen. [Signature]

BY REQUEST OF THE DEPARTMENT OF REVENUE

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE FOR A 5-YEAR STATUTE OF LIMITATIONS FOR TAXES ON CENTRALLY ASSESSED PROPERTY, COAL SEVERANCE TAXES, OIL AND GAS SEVERANCE TAXES, MINING LICENSE TAXES, RESOURCE INDEMNITY TRUST TAXES, ELECTRIC ENERGY PRODUCERS' LICENSE TAXES, TELEPHONE COMPANY LICENSE TAXES, FREIGHT LINE COMPANY LICENSE TAXES, COAL RETAILER'S LICENSE TAXES, AND CEMENT TAXES; PROVIDING AN IMMEDIATE EFFECTIVE DATE AND APPLICABILITY DATES."

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

Section 1. Statute of limitations. (1) Except as otherwise provided in this section, no deficiency may be assessed or collected with respect to the year for which a return is filed unless the notice of additional tax proposed to be assessed is mailed within 5 years from the date the return was filed. For the purposes of this section, a return filed before the last day prescribed for filing is considered as filed on the last day. If the taxpayer, before the expiration of the period prescribed for assessment of the tax, consents in writing to an assessment after that time, the tax may be assessed at any time prior

to the expiration of the period agreed upon.

(2) No refund or credit may be allowed or paid with respect to the year for which a return is filed after 5 years from the last day prescribed for filing the return or after 1 year from the date of the overpayment, whichever period expires later, unless before the expiration of the period the taxpayer files a claim therefor or the department of revenue has determined the existence of the overpayment and has approved the refund or credit thereof. If the taxpayer has agreed in writing under the provisions of subsection (1) to extend the time within which the department may propose an additional assessment, the period within which a claim for refund or credit may be filed or a credit or refund allowed if no claim is filed is automatically extended.

(3) If a return is required to be filed and the taxpayer fails to file the return, the tax may be assessed or an action to collect the tax may be brought at any time. If a return is required to be filed and the taxpayer files a fraudulent return, the 5-year period provided for in subsection (1) does not begin until discovery of the fraud by the department.

Section 2. Codification instructions. Section 1 is intended to be codified as an integral part of Title 15, chapters 23 (part 1), 35, 36, 37 (parts 1 and 2), 38, 51,

1 53, 55, 58, and 59 (parts 1 and 2), and the provisions of  
2 Title 15, chapters 23 (part 1), 35, 36, 37 (parts 1 and 2),  
3 38, 51, 53, 55, 58, and 59 (parts 1 and 2), apply to section  
4 1.

5 Section 3. Effective date -- applicability. (1) This  
6 act is effective on passage and approval and, except as  
7 provided in subsection (2), applies retroactively within the  
8 meaning of 1-2-109 to taxable years beginning after December  
9 31, 1977.

10 (2) Subsection (3) of section 1 is retroactively  
11 applicable within the meaning of 1-2-109 for all taxable  
12 years prior to the effective date of this act.

-End-

Approved by committee  
on Taxation

## SENATE BILL NO. 243

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taxpayer has agreed in writing under the provisions of  
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If a return is required to be filed and the taxpayer files a  
fraudulent return, the 5-year period provided for in  
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