

SENATE BILL NO. 379

Introduced: 02/08/83

Referred to Committee on Taxation: 02/08/83

Hearing: 2/18/83

Report: 03/02/83, Do Not Pass. Report Adopted.

On Motion, /2/83, That The Bill be Printed and Placed on  
2nd Reading. Motion Passed.

2nd Reading: 03/04/83, Do Pass

2nd Reading: 3/4/83, Be Indefinitely Postponed  
Bill Killed.

1 *Senate* BILL NO. *379*  
 2 INTRODUCED BY *Speech: House: Judiciary Haffey, Zink, Menahan, Harrington, Dwyer, Patrick, Keenan, McBride*  
 3  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO IMPOSE A MINING *Fair*  
 5 IMPACT TAX ON ANY MINING COMPANY THAT REDUCES ITS WORK FORCE *Berg*  
 6 BY ONE-HALF DURING A NINE-MONTH PERIOD; PROVIDING A TAX RATE  
 7 BASED ON IMPACT COSTS TO LOCAL GOVERNMENTS; PROVIDING  
 8 PENALTIES."  
 9  
 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
 11 Section 1. Mining impact tax on certain mining  
 12 companies. There is imposed a tax on any mining company  
 13 within the state that employs or did employ, during any  
 14 12-month period, more than 700 employees and subsequently  
 15 reduces its work force by one-half or more of those  
 16 employees within a 9-month period. The tax must be paid to  
 17 the department of revenue and deposited in the mining impact  
 18 tax account established in [section 4].  
 19 Section 2. Rate of tax -- when due. (1) The rate of  
 20 the tax imposed in [section 1] is equal to the sum of the  
 21 dollar costs as certified under [section 3] of impacts to  
 22 local government units caused by the reduction in work force  
 23 under [section 1].  
 24 (2) The tax is due 3 months after the work force is  
 25 reduced by one-half as provided in [section 1].

1 Section 3. Department of commerce to compute impact  
 2 costs -- method. (1) Each local government unit affected  
 3 under the provisions of [sections 1 and 2] shall submit to  
 4 the department of commerce a list that specifies the impact  
 5 costs that will be incurred because of the work force  
 6 reduction cited in [section 1].  
 7 (2) After consultation with the affected mining  
 8 company, the department of commerce shall determine and  
 9 certify the total amount of mining impact taxes due.  
 10 Section 4. Mining impact tax account established.  
 11 There is a mining impact tax account within the earmarked  
 12 revenue fund. Money is payable into this account under  
 13 [section 1]. The state treasurer shall draw warrants from  
 14 this account upon order of the department of commerce.  
 15 Section 5. Disposition of tax. The money in the mining  
 16 impact tax account must be distributed to all affected local  
 17 government units under a formula developed by the department  
 18 of commerce based on each unit's share of total impacts.  
 19 The money must be distributed in two equal portions over a  
 20 2-year period after collection.  
 21 Section 6. Penalty for failure to pay tax. Failure to  
 22 pay the tax imposed by [sections 1 through 5] results in a  
 23 lien against all real and personal property, including  
 24 mineral property, of the company owing the tax. The  
 25 department of revenue may institute an action to collect the

LC 1153/01

- 1 unpaid taxes. The lien is not removed until the taxes are
- 2 paid or the property sold for the payment thereof.

-End-

## committee on Taxation

Recommend do not pass  
On motion, printed and  
placed on Second Reading.

*Senate* BILL NO. *379*

INTRODUCED BY *Spesh, Haffey, Lulini, Harrington, Dunsell, Parkin, Keenan, McBride*

A BILL FOR AN ACT ENTITLED: "AN ACT TO IMPOSE A MINING  
IMPACT TAX ON ANY MINING COMPANY THAT REDUCES ITS WORK FORCE  
BY ONE-HALF DURING A NINE-MONTH PERIOD; PROVIDING A TAX RATE  
BASED ON IMPACT COSTS TO LOCAL GOVERNMENTS; PROVIDING  
PENALTIES."

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

Section 1. Mining impact tax on certain mining companies. There is imposed a tax on any mining company within the state that employs or did employ, during any 12-month period, more than 700 employees and subsequently reduces its work force by one-half or more of those employees within a 9-month period. The tax must be paid to the department of revenue and deposited in the mining impact tax account established in [section 4].

Section 2. Rate of tax -- when due. (1) The rate of the tax imposed in [section 1] is equal to the sum of the dollar costs as certified under [section 3] of impacts to local government units caused by the reduction in work force under [section 1].

(2) The tax is due 3 months after the work force is reduced by one-half as provided in [section 1].

Section 3. Department of commerce to compute impact costs -- method. (1) Each local government unit affected under the provisions of [sections 1 and 2] shall submit to the department of commerce a list that specifies the impact costs that will be incurred because of the work force reduction cited in [section 1].

(2) After consultation with the affected mining company, the department of commerce shall determine and certify the total amount of mining impact taxes due.

Section 4. Mining impact tax account established. There is a mining impact tax account within the earmarked revenue fund. Money is payable into this account under [section 1]. The state treasurer shall draw warrants from this account upon order of the department of commerce.

Section 5. Disposition of tax. The money in the mining impact tax account must be distributed to all affected local government units under a formula developed by the department of commerce based on each unit's share of total impacts. The money must be distributed in two equal portions over a 2-year period after collection.

Section 6. Penalty for failure to pay tax. Failure to pay the tax imposed by [sections 1 through 5] results in a lien against all real and personal property, including mineral property, of the company owing the tax. The department of revenue may institute an action to collect the

LC 1153/01

- 1 unpaid taxes. The lien is not removed until the taxes are
- 2 paid or the property sold for the payment thereof.

-End-