

HOUSE BILL NO. 62

1/07 Introduced
1/07 Referred to Taxation
1/07 Fiscal Note Requested
1/12 Fiscal Note Received
1/14 Hearing
1/17 Adverse Committee Report
1/17 Objection to Adverse Committee Report
1/22 2nd Reading Do Not pass
1/22 Bill Killed

1 HOUSE BILL NO. 62
 2 INTRODUCED BY BRADLEY

3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH A BLUE
 5 RIBBON INCOME TAX STUDY COMMISSION TO EVALUATE ALTERNATIVE
 6 METHODS FOR STRUCTURING AND ADMINISTERING MONTANA'S INCOME
 7 TAX LAWS TO MAKE THEM SIMPLER AND MORE EQUITABLE; AND
 8 PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

9
 10 WHEREAS, it is apparent that a great number of
 11 Montana's citizens believe that the present state income tax
 12 structure is complicated and unfair and that its
 13 administration could be improved.

14
 15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

16 Section 1. Blue ribbon income tax study commission. A
 17 blue ribbon income tax study commission is established to
 18 make a thorough evaluation of the alternative methods for
 19 structuring and administering Montana's income tax laws to
 20 make them simpler and more equitable.

21 Section 2. Composition of study commission. (1) The
 22 blue ribbon income tax study commission consists of 12
 23 members, four of whom are legislators and the remainder
 24 citizens who are not public officials.

25 (2) The four legislative members shall be designated

1 by the majority and minority leaders of the senate and the
 2 democratic and republican leaders of the house, with each
 3 leader designating one member.

4 (3) The citizen members who are not public officials
 5 shall be designated by the majority and minority leaders of
 6 the senate and the democratic and republican leaders of the
 7 house, with each leader designating two members.

8 (4) The 12 members shall choose a chairman from among
 9 the study commission membership by a majority vote.

10 Section 3. Vacancy on study commission. If a vacancy
 11 occurs on the commission, the appointing authority of the
 12 vacated seat shall designate a successor.

13 Section 4. Meetings. The study commission shall meet
 14 at the call of the chair.

15 Section 5. Compensation and expenses. Members of the
 16 study commission are entitled to the same compensation and
 17 expenses as provided to members of the legislature in
 18 5-2-302 while attending study commission meetings or
 19 carrying out the official duties of the study commission.

20 Section 6. Legislative council to provide professional
 21 and clerical services. The executive director of the
 22 legislative council, under the direction of the study
 23 commission, shall provide the professional staff and
 24 clerical services that the study commission needs to
 25 complete its study. The legislative council is authorized to



1 engage necessary consultants to provide support to the study
2 commission.

3 Section 7. Assistance of state and county agencies.
4 Upon request of the study commission, state and county
5 agencies shall cooperate with the study commission and
6 furnish technical assistance and consulting personnel.

7 Section 8. Coordination with revenue oversight
8 committee. (1) The study commission shall coordinate with
9 the revenue oversight committee to:

10 (a) gain background information on alternative methods
11 for structuring and administering Montana's income tax laws;

12 (b) keep the revenue oversight committee apprised of
13 the progress of the study commission by providing copies of
14 minutes of the study commission's meetings to the committee.

15 (2) The revenue oversight committee shall avoid
16 duplicating work done by the study commission.

17 Section 9. Submission of report to the legislature.
18 The study commission shall submit a report to the 50th
19 legislature by the 10th legislative day.

20 Section 10. Effective date and termination date. This
21 act is effective on passage and approval and terminates
22 April 30, 1987.

-End-

STATE OF MONTANA
FISCAL NOTE

REQUEST NO. FNN 010-85

Form BD-15

In compliance with a written request received January 7, 19 85, there is hereby submitted a Fiscal Note for H.B. 62 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.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill Number 62 proposes to establish a 12 member Blue Ribbon Income Tax Study Commission to evaluate alternative methods for structuring and administering Montana's income tax laws to make them simpler and more equitable.

ASSUMPTIONS:

(1) Department of Revenue resources can support requests for computer processing of tax data as required to analyze the fairness of elements of the existing tax structure as well as similar requests required to analyze possible alternative tax structures that may be proposed as well as the revenue implications of such alternatives.

(2) Legislative Council staff can provide professional committee staffing and clerical services not including economic expertise within existing resources assuming other priorities are displaced accordingly.

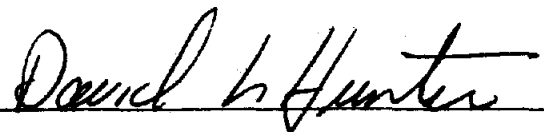
(3) Independent economic expertise would be desired to assist in designing analyses to be incorporated in the study and to assist in reviewing results. Such assistance could be obtained in state at a cost not exceeding \$150 a day plus expenses. The consultant(s) would be used for 15 days with 7 days away from home in four trips and 4 nights. Round trip mileage: 250.

(4) The committee would meet 9 times at an average cost of \$2300 a meeting.

(5) Printing, supplies, mailing, etc. can be provided for not more than \$2500.

EXPENDITURES:

	<u>FY 86</u>	<u>FY 87</u>	
Legislative Council	\$25,822	\$ -0-	
Department of Revenue	3,000	-0-	
Total Budget	\$28,822	\$ -0-	- General Fund


BUDGET DIRECTOR
Office of Budget and Program Planning

Date: Jan 12, 1985

Taxation Committee recommend do not pass-objection to adverse committee report

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