

HOUSE BILL NO. 901
INTRODUCED BY D. BROWN

IN THE HOUSE

February 20, 1985	Introduced and referred to Committee on Business and Labor.
February 21, 1985	Fiscal Note requested.
February 23, 1985	Committee recommend bill do pass as amended. Report adopted.
February 25, 1985	Bill printed and placed on members' desks. Fiscal Note returned.
February 26, 1985	Second reading, do pass. Considered correctly engrossed.
February 27, 1985	Third reading, passed. Transmitted to Senate.

IN THE SENATE

March 5, 1985	Introduced and referred to Committee on Business and Industry.
March 22, 1985	On motion, taken from Committee on Business and Industry and rereferred to Committee on Taxation. Motion adopted. On motion, taken from Committee on Taxation and rereferred to Committee on Business and Industry. Motion adopted.

March 25, 1985 Committee recommend bill be
 concurred in. Report adopted.

March 28, 1985 Second reading, pass
 consideration.

 On motion, taken from second
 reading and rereferred to
 Committee on Taxation.

April 18, 1985 Committee recommend bill be
 concurred in. Report adopted.

April 22, 1985 Second reading, concurred in.

April 23, 1985 Third reading, concurred in.
 Ayes, 48; Noes, 1.

 Returned to House.

IN THE HOUSE

April 23, 1985 Received from Senate.

 Sent to enrolling.

 Reported correctly enrolled.

1 HOUSE BILL NO. 901
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4 A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING A PUBLIC
5 CONTRACTOR WHO CONSTRUCTS OR WORKS ON A FEDERAL RESEARCH
6 FACILITY FROM THE ADDITIONAL LICENSE TAX IMPOSED ON PUBLIC
7 CONTRACTORS; AMENDING SECTION 15-50-205, MCA; AND PROVIDING
8 AN IMMEDIATE EFFECTIVE DATE."
9

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

11 Section 1. Section 15-50-205, MCA, is amended to read:

12 "15-50-205. Additional license tax imposed. (1) In
13 addition to the fees enumerated in 37-71-204, each public
14 contractor, unless he constructs or works on a federal
15 research facility, shall pay to the department of revenue an
16 additional license fee in a sum equal to 1% of the gross
17 receipts, as defined in 37-71-101, from public contracts
18 during the income year for which the license is issued.

19 (2) The additional license fee shall be computed upon
20 the basis of the entire contract for each separate contract
21 let by any of the public bodies as specified in
22 37-71-101(4)."

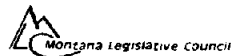
23 NEW SECTION. Section 2. Extension of authority. Any
24 existing authority of the department of revenue to make
25 rules on the subject of the provisions of this act is

1 extended to the provisions of this act.

2 NEW SECTION. Section 3. Applicability. This act
3 applies to any public contract entered into before, on, or
4 after the effective date of this act, except that any tax
5 already paid to the department of revenue may not be
6 returned to the contractor.

7 NEW SECTION. Section 4. Effective date. This act is
8 effective on passage and approval.

-End-



STATE OF MONTANA
FISCAL NOTE

REQUEST NO. FNN 489-85

Form BD-15

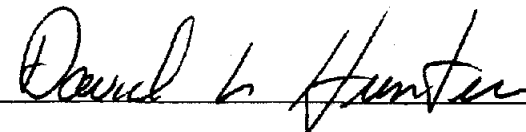
In compliance with a written request received February 21, 19 85, there is hereby submitted a Fiscal Note for H.B. 901 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

An act exempting a public contractor who constructs or works on a federal research facility from the additional license tax imposed on public contractors.

FISCAL IMPACT:

The total fiscal impact of the proposal cannot be estimated because the allocation of federal funds for research facilities cannot be fully anticipated. However, over \$300,000 in public contractors gross receipts taxes are outstanding for construction of the MHD facility. An additional \$1.5 million of construction at the MHD facility, yielding taxes of \$15,000, is anticipated over the next 3 years.



BUDGET DIRECTOR
Office of Budget and Program Planning

Date: Feb 25, 1985
HB 901

APPROVED BY COMM. ON
BUSINESS AND LABOR

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