

HOUSE JOINT RESOLUTION NO. 17

INTRODUCED BY SCHULTZ, HOLLIDAY, SPAETH, HOWE,
JENKINS, KOLSTAD, POFF, KOEHNKE, KELLER, FRITZ,
GALT, FARRELL, STORY, YELLOWTAIL, CONOVER, MANUEL,
ERNST, GRADY, SALES, BERGENE, ANDERSON, KEATING,
SHAW, B. WILLIAMS, HALLIGAN, BOYLAN, CAMPBELL,
GLASER, BRANDEWIE, ELLERD, BACHINI, ELLISON,
DEVLIN, E. SMITH, SEVERSON, AKLESTAD, TVEIT,
MCCALLUM, GOODOVER, H. HAMMOND, SWITZER, CODY,
COMPTON, PATTERSON, NATHE, LANE, R. MANNING,
HANSON, SCHYE, RAPP-SVRCEK, MOHAR

BY REQUEST OF THE HOUSE AGRICULTURE,
LIVESTOCK, AND IRRIGATION COMMITTEE

IN THE HOUSE

January 26, 1985	Introduced and referred to Committee on Agriculture, Livestock and Irrigation.
February 2, 1985	Committee recommend bill do pass. Report adopted.
February 4, 1985	Bill printed and placed on members' desks.
February 5, 1985	Second reading, do pass. Considered correctly engrossed.
February 6, 1985	Third reading, passed. Transmitted to Senate.

IN THE SENATE

February 7, 1985	Introduced and referred to Committee on Agriculture, Livestock and Irrigation.
February 14, 1985	Committee recommend bill be concurring in. Report adopted.

February 16, 1985

Second reading, concurred in.

February 19, 1985

Third reading, concurred in.
Ayes, 45; Noes, 0.

Returned to House.

IN THE HOUSE

February 20, 1985

Received from Senate.

Sent to enrolling.

Reported correctly enrolled.

*MALES
urgency*

Stacy

Hansen

Boyer

M. E. Hansen

Ward

1 HOUSE JOINT RESOLUTION NO. 17

2 INTRODUCED BY *J. Smith, T. H. Smith, House*

3 BY REQUEST OF THE HOUSE AGRICULTURE, *Senators*

4 LIVESTOCK, AND IRRIGATION COMMITTEE *Senators*

5 *E. Smith, McCall, Goodover, Compton, Keller, Hansen*

6 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF

7 REPRESENTATIVES OF THE STATE OF MONTANA URGING REPEAL OF THE

8 PROVISIONS OF THE 1984 TAX REFORM ACT AND INTERNAL REVENUE

9 SERVICE REGULATIONS REQUIRING MILEAGE AND USE RECORDS FOR

10 BUSINESS VEHICLES. *LANE, Yellowtail, Conover*

11 *Richard E. Manning, Lyle, D. Hansen, L. Hansen, M. Hansen*

12 WHEREAS, the 1984 Tax Reform Act and recent IRS

13 regulations implementing the act require records be kept for

14 "each business use" of a vehicle, which must show date,

15 mileage, destination, driver, and purpose; and

16 WHEREAS, a business failing to keep proper records is

17 subject not only to loss of investment credit and deductions

18 for depreciation, fuel, insurance, repairs, and other

19 expenses, but also is subject to an automatic 5% negligence

20 penalty; and

21 WHEREAS, because the law further requires that a person

22 who employs a professional tax preparer must certify that he

23 has kept the proper vehicle log for each vehicle for which

24 credits or deductions are claimed, the person may also be

25 subject to civil and criminal penalties for fraud and false

1 swearing if the IRS later determines that such records were

2 not kept, or were not kept properly; and

3 WHEREAS, in many situations it is technically necessary

4 but practically impossible to ensure that employees maintain

5 the proper records for vehicles they use; and

6 WHEREAS, most agricultural businesses have many

7 vehicles used primarily for particular purposes, such as

8 fuel transportation, livestock feeding, chemical

9 application, etc., each of which would require separate logs

10 if they are capable of being used for any other personal

11 use; and

12 WHEREAS, for a farmer or rancher to record the date,

13 mileage, destination, driver, and purpose for each trip to a

14 field, each trip checking or feeding livestock, each trip

15 along a fenceline, or each trip for machinery repairs is

16 unduly burdensome and in many cases impossible; and

17 WHEREAS, many farmers and ranchers, being independent,

18 may simply refuse to keep the records and will lose valuable

19 credits and deductions merely for refusal to keep such

20 records.

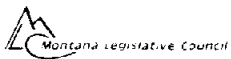
21

22 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE

23 OF REPRESENTATIVES OF THE STATE OF MONTANA:

24 That Congress and the IRS are urgently requested to

25 repeal the provisions of the 1984 Tax Reform Act and the



LC 1807/01

1 implementing IRS regulations requiring records for mileage
2 and use for business vehicles.

3 BE IT FURTHER RESOLVED, that a copy of this resolution
4 be sent by the Secretary of State to each member of
5 Montana's Congressional delegation.

-End-

APPROVED BY COMMITTEE
ON AGRICULTURE LIVESTOCK
& IRRIGATION

1 HOUSE JOINT RESOLUTION NO. 17 *Reinstated*

2 INTRODUCED BY *John Kelly, Thomas Speth, House*

3 *Debra* BY REQUEST OF THE HOUSE AGRICULTURE, *Senators*

4 *Richard* LIVESTOCK, AND IRRIGATION COMMITTEE *Richard Keller*

5 *E. Smith, M. Eubank, Goodover, Compton, Keller*

6 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF

7 REPRESENTATIVES OF THE STATE OF MONTANA URGING REPEAL OF THE

8 PROVISIONS OF THE 1984 TAX REFORM ACT AND INTERNAL REVENUE

9 SERVICE REGULATIONS REQUIRING MILEAGE AND USE RECORDS FOR

10 BUSINESS VEHICLES. *LANE, Wickham, Yellowtail*

11 *Richard E. Manning, Long, Barkman, Lapp, Smith, Conover*

12 WHEREAS, the 1984 Tax Reform Act and recent IRS *Mann*

13 regulations implementing the act require records be kept for *Young*

14 "each business use" of a vehicle, which must show date, *Young*

15 mileage, destination, driver, and purpose; and

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8 fuel transportation, livestock feeding, chemical

9 application, etc., each of which would require separate logs

10 if they are capable of being used for any other personal

11 use; and

12 WHEREAS, for a farmer or rancher to record the date,

13 mileage, destination, driver, and purpose for each trip to a

14 field, each trip checking or feeding livestock, each trip

15 along a fenceline, or each trip for machinery repairs is

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LC 1807/01

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-End-

HOUSE JOINT RESOLUTION NO. 17

INTRODUCED BY *Richard E. Manning* BY REQUEST OF THE HOUSE AGRICULTURE, LIVESTOCK, AND IRRIGATION COMMITTEE

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA URGING REPEAL OF THE PROVISIONS OF THE 1984 TAX REFORM ACT AND INTERNAL REVENUE SERVICE REGULATIONS REQUIRING MILEAGE AND USE RECORDS FOR BUSINESS VEHICLES.

WHEREAS, the 1984 Tax Reform Act and recent IRS regulations implementing the act require records be kept for "each business use" of a vehicle, which must show date, mileage, destination, driver, and purpose; and

WHEREAS, a business failing to keep proper records is subject not only to loss of investment credit and deductions for depreciation, fuel, insurance, repairs, and other expenses, but also is subject to an automatic 5% negligence penalty; and

WHEREAS, because the law further requires that a person who employs a professional tax preparer must certify that he has kept the proper vehicle log for each vehicle for which credits or deductions are claimed, the person may also be subject to civil and criminal penalties for fraud and false

swearing if the IRS later determines that such records were not kept, or were not kept properly; and

WHEREAS, in many situations it is technically necessary but practically impossible to ensure that employees maintain the proper records for vehicles they use; and

WHEREAS, most agricultural businesses have many vehicles used primarily for particular purposes, such as fuel transportation, livestock feeding, chemical application, etc., each of which would require separate logs if they are capable of being used for any other personal use; and

WHEREAS, for a farmer or rancher to record the date, mileage, destination, driver, and purpose for each trip to a field, each trip checking or feeding livestock, each trip along a fenceline, or each trip for machinery repairs is unduly burdensome and in many cases impossible; and

WHEREAS, many farmers and ranchers, being independent, may simply refuse to keep the records and will lose valuable credits and deductions merely for refusal to keep such records.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That Congress and the IRS are urgently requested to repeal the provisions of the 1984 Tax Reform Act and the

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Richard E. Manning
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Richard E. Manning
Hansen
Boyle
Wright
Wright
Ellis

LC 1807/01

1 implementing IRS regulations requiring records for mileage
2 and use for business vehicles.

3 BE IT FURTHER RESOLVED, that a copy of this resolution
4 be sent by the Secretary of State to each member of
5 Montana's Congressional delegation.

-End-

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 3 JENKINS, KOLSTAD, POFF, KOEHNKE, KELLER, FRITZ,
 4 GALT, FARRELL, STORY, YELLOWTAIL, CONOVER, MANUEL,
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 7 GLASER, BRANDEWIE, ELLERD, BACHINI, ELLISON,
 8 DEVLIN, E. SMITH, SEVERSON, AKLESTAD, TVEIT,
 9 MCCALLUM, GOODOVER, H. HAMMOND, SWITZER, CODY,
 10 COMPTON, PATTERSON, NATHE, LANE, R. MANNING

11 HANSON, SCHYE, RAPP-SVRCEK, MOHAR
 12 BY REQUEST OF THE HOUSE AGRICULTURE,
 13 LIVESTOCK, AND IRRIGATION COMMITTEE

14
 15 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF
 16 REPRESENTATIVES OF THE STATE OF MONTANA URGING REPEAL OF THE
 17 PROVISIONS OF THE 1984 TAX REFORM ACT AND INTERNAL REVENUE
 18 SERVICE REGULATIONS REQUIRING MILEAGE AND USE RECORDS FOR
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 21 WHEREAS, the 1984 Tax Reform Act and recent IRS
 22 regulations implementing the act require records be kept for
 23 "each business use" of a vehicle, which must show date,
 24 mileage, destination, driver, and purpose; and

25 WHEREAS, a business failing to keep proper records is

1 subject not only to loss of investment credit and deductions
 2 for depreciation, fuel, insurance, repairs, and other
 3 expenses, but also is subject to an automatic 5% negligence
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5 WHEREAS, because the law further requires that a person
 6 who employs a professional tax preparer must certify that he
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 16 vehicles used primarily for particular purposes, such as
 17 fuel transportation, livestock feeding, chemical
 18 application, etc., each of which would require separate logs
 19 if they are capable of being used for any other personal
 20 use; and

21 WHEREAS, for a farmer or rancher to record the date,
 22 mileage, destination, driver, and purpose for each trip to a
 23 field, each trip checking or feeding livestock, each trip
 24 along a fence line, or each trip for machinery repairs is
 25 unduly burdensome and in many cases impossible; and

1 WHEREAS, many farmers and ranchers, being independent,
2 may simply refuse to keep the records and will lose valuable
3 credits and deductions merely for refusal to keep such
4 records.

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6 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE
7 OF REPRESENTATIVES OF THE STATE OF MONTANA:

8 That Congress and the IRS are urgently requested to
9 repeal the provisions of the 1984 Tax Reform Act and the
10 implementing IRS regulations requiring records for mileage
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