

SENATE BILL NO. 41

INTRODUCED BY TOWE

BY REQUEST OF THE DEPARTMENT OF REVENUE AND
THE REVENUE OVERSIGHT COMMITTEE

IN THE SENATE

January 7, 1985	Introduced and referred to Committee on Taxation.
January 26, 1985	Committee recommend bill do pass as amended. Report adopted.
January 28, 1985	Bill printed and placed on members' desks.
January 29, 1985	Second reading, do pass.
January 30, 1985	Considered correctly engrossed.
January 31, 1985	Third reading, passed. Ayes, 49; Noes, 0.
	Transmitted to House.

IN THE HOUSE

February 27, 1985	Introduced and referred to Committee on Taxation.
March 15, 1985	Committee recommend bill be concurrent in as amended. Report adopted.
March 18, 1985	Second reading, pass consideration.
March 19, 1985	Second reading, concurred in.
March 21, 1985	Third reading, concurred in.
	Returned to Senate with amendments.

IN THE SENATE

March 21, 1985	Received from House.
March 23, 1985	Second reading, amendments concurrent in.
March 26, 1985	Third reading, amendments concurrent in. Ayes, 50; Noes, 0. Sent to enrolling. Reported correctly enrolled.

1 SENATE BILL NO. 41
 2 INTRODUCTION BY TOWE
 3 BY REQUEST OF THE DEPARTMENT OF
 4 REVENUE AND THE REVENUE OVERSIGHT COMMITTEE

5
 6 A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE
 7 DISTRIBUTION OF INCOME AND EARNINGS FROM COAL SEVERANCE TAX
 8 FUNDS BY PROVIDING THAT THOSE FUNDS MAY NOT BE INCLUDED IN
 9 THE IN-STATE INVESTMENT FUND; AMENDING SECTIONS 17-6-305 AND
 10 17-6-306, MCA."

11
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 Section 1. Section 17-6-305, MCA, is amended to read:
 14 "17-6-305. Investment of twenty-five percent of the
 15 coal tax trust fund in the Montana economy. (1) Twenty-five
 16 percent of all revenue deposited after June 30, 1983, into
 17 the permanent coal tax trust fund established in
 18 17-6-203(5), except funds deposited pursuant to 17-5-704(2),
 19 shall be invested in the Montana economy with special
 20 emphasis on investments in new or expanding locally owned
 21 enterprises.

22 (2) In determining the probable income to be derived
 23 from investment of this revenue, as required by 17-6-201(1),
 24 the long-term benefit to the Montana economy shall be
 25 considered.

1 (3) The legislature may provide additional procedures
 2 to implement this section."
 3 Section 2. Section 17-6-306, MCA, is amended to read:
 4 "17-6-306. Montana in-state investment fund. The
 5 Montana in-state investment fund consists of 25% of the
 6 revenue deposited after June 30, 1983, into the permanent
 7 coal tax trust fund established in 17-6-203(5), except funds
 8 deposited pursuant to 17-5-704(2), and the principal
 9 payments on all investments made from the Montana in-state
 10 investment fund."

-End-



-2- INTRODUCED BILL
 SB 41

APPROVED BY COMMITTEE
ON TAXATION

1 SENATE BILL NO. 41

2 INTRODUCED BY TOWE

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7 DISTRIBUTION OF INCOME AND EARNINGS FROM COAL SEVERANCE TAX
8 FUNDS BY PROVIDING THAT A PORTION OF THOSE FUNDS MAY NOT BE
9 INCLUDED IN THE IN-STATE INVESTMENT FUND; AMENDING SECTIONS
10 17-6-305 AND 17-6-306, MCA; AND PROVIDING AN IMMEDIATE
11 EFFECTIVE DATE AND AN APPLICABILITY DATE."
12

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

14 Section 1. Section 17-6-305, MCA, is amended to read:

15 "17-6-305. Investment of twenty-five percent of the
16 coal tax trust fund in the Montana economy. (1) Twenty-five
17 percent of all revenue deposited after June 30, 1983, into
18 the permanent coal tax trust fund established in
19 17-6-203(5) ~~except funds deposited pursuant to 17-5-704(2)~~
20 AND 15% OF THE ANNUAL INCOME AND EARNINGS ON THE MONTANA
21 IN-STATE INVESTMENT FUND APPROPRIATED TO THE COAL SEVERANCE
22 TAX PERMANENT FUND BY 17-5-704(2) shall be invested in the
23 Montana economy with special emphasis on investments in new
24 or expanding locally owned enterprises.

25 (2) In determining the probable income to be derived

1 from investment of this revenue, as required by 17-6-201(1),
2 the long-term benefit to the Montana economy shall be
3 considered.

4 (3) The legislature may provide additional procedures
5 to implement this section."

6 Section 2. Section 17-6-306, MCA, is amended to read:
7 "17-6-306. Montana in-state investment fund. The
8 Montana in-state investment fund consists of:

9 (1) 25% of the revenue deposited after June 30, 1983,
10 into the permanent coal tax trust fund established in
11 17-6-203(5) ~~except funds deposited pursuant to 17-5-704(2)~~
12 and;

13 (2) the principal payments on all investments made
14 from the Montana in-state investment fund; AND

15 (3) 15% OF THE ANNUAL INCOME AND EARNINGS ON THE
16 MONTANA IN-STATE INVESTMENT FUND APPROPRIATED TO THE COAL
17 TAX SEVERANCE TAX PERMANENT FUND BY 17-5-704(2)."

18 NEW SECTION. SECTION 3. EFFECTIVE DATE --
19 APPLICABILITY. THIS ACT IS EFFECTIVE ON PASSAGE AND
20 APPROVAL AND APPLIES RETROACTIVELY, WITHIN THE MEANING OF
21 1-2-109, TO APPROPRIATIONS ON AND AFTER JULY 1, 1983.

-End-

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BY REQUEST OF THE DEPARTMENT OF
REVENUE AND THE REVENUE OVERSIGHT COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE
DISTRIBUTION OF INCOME AND EARNINGS FROM COAL SEVERANCE TAX
FUNDS BY PROVIDING THAT A PORTION OF THOSE FUNDS MAY NOT BE
INCLUDED IN THE IN-STATE INVESTMENT FUND; AMENDING SECTIONS
17-6-305 AND 17-6-306, MCA; AND PROVIDING AN IMMEDIATE
EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

Section 1. Section 17-6-305, MCA, is amended to read:

"17-6-305. Investment of twenty-five percent of the
coal tax trust fund in the Montana economy. (1) Twenty-five
percent of all revenue deposited after June 30, 1983, into
the permanent coal tax trust fund established in
17-6-203(5) ~~except funds deposited pursuant to 17-5-704(2)~~
AND 15% OF THE ANNUAL INCOME AND EARNINGS ON THE MONTANA
IN-STATE INVESTMENT FUND APPROPRIATED TO THE COAL SEVERANCE
TAX PERMANENT FUND BY 17-5-704(2) shall be invested in the
Montana economy with special emphasis on investments in new
or expanding locally owned enterprises.

(2) In determining the probable income to be derived

from investment of this revenue, as required by 17-6-201(1),
the long-term benefit to the Montana economy shall be
considered.

(3) The legislature may provide additional procedures
to implement this section."

Section 2. Section 17-6-306, MCA, is amended to read:

"17-6-306. Montana in-state investment fund. The
Montana in-state investment fund consists of:

(1) 25% of the revenue deposited after June 30, 1983,
into the permanent coal tax trust fund established in
17-6-203(5) ~~except funds deposited pursuant to 17-5-704(2)~~
and;

(2) the principal payments on all investments made
from the Montana in-state investment fund; AND

(3) 15% OF THE ANNUAL INCOME AND EARNINGS ON THE
MONTANA IN-STATE INVESTMENT FUND APPROPRIATED TO THE COAL
TAX SEVERANCE TAX PERMANENT FUND BY 17-5-704(2)."

NEW SECTION. SECTION 3. EFFECTIVE DATE --
APPLICABILITY. THIS ACT IS EFFECTIVE ON PASSAGE AND
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1-2-109, TO APPROPRIATIONS ON AND AFTER JULY 1, 1983.

-End-



HOUSE

STANDING COMMITTEE REPORT

March 15, 1985

MR. SPEAKER:

We, your committee on TAXATION

having had under consideration SENATE Bill No. 41

third reading copy (blue color)

AN ACT TO CLARIFY THE DISTRIBUTION OF INCOME AND EARNING FROM COAL SEVERANCE TAX FUNDS BY PROVIDING THAT THOSE FUNDS MAY NOT BE INCLUDED IN THE IN-STATE INVESTMENT FUND;

Respectfully report as follows: That SENATE Bill No. 41

Be amended as follows:

- 1. Page 2, line 17. Following: line 16 Delete: "TAX"

AND AS AMENDED, BE CONCURRED IN

SL 3/15

Gerry Devlin Chairman. GERRY DEVLIN,

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