

SENATE BILL NO. 106

INTRODUCED BY SHAW

IN THE SENATE

January 14, 1985	Introduced and referred to Committee on Taxation.
January 29, 1985	Committee recommend bill do pass. Report adopted.
January 30, 1985	Bill printed and placed on members' desks.
January 31, 1985	Second reading, do pass.
February 1, 1985	Considered correctly engrossed.
February 2, 1985	Third reading, passed. Ayes, 43; Noes, 3.
	Transmitted to House.

IN THE HOUSE

February 27, 1985	Introduced and referred to Committee on Education and Cultural Resources.
March 19, 1985	Committee recommend bill be concurrent in as amended. Report adopted.
March 20, 1985	Second reading, concurred in.
March 22, 1985	Third reading, concurred in.
	Returned to Senate with amendments.

IN THE SENATE

March 22, 1985	Received from House.
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March 27, 1985	Second reading, amendments not concurred in.
March 28, 1985	On motion, Conference Committee requested and appointed.
April 11, 1985	Conference Committee reported.
April 12, 1985	Second reading, Conference Committee report adopted.  Conference Committee report adopted by House.
April 13, 1985	Third reading, Conference Committee report adopted. Ayes, 49; Noes, 0.
April 15, 1985	Sent to enrolling.  Reported correctly enrolled.

1 Senate BILL NO. 106  
 2 INTRODUCED BY Shaw  
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW A PARENT WHO  
 5 IS A SHAREHOLDER OF A CLOSELY HELD OR FAMILY CORPORATION TO  
 6 RECEIVE A REDUCTION IN ANY OUT-OF-DISTRICT TUITION CHARGE  
 7 BASED ON A PERCENTAGE OF THE PROPERTY TAXES PAID BY THE  
 8 CORPORATION FOR THE SUPPORT OF THE SCHOOL DISTRICT THE CHILD  
 9 WILL ATTEND; AMENDING SECTIONS 20-5-303 AND 20-5-313, MCA;  
 10 AND PROVIDING AN EFFECTIVE DATE."

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

13 Section 1. Section 20-5-303, MCA, is amended to read:

14 "20-5-303. Individual tuition for elementary pupil.

15 (1) No provision of this title shall be construed to deny a  
 16 parent the right to send his child, at his own expense, to  
 17 any elementary school of a district other than his resident  
 18 district when the parent has agreed to pay the tuition  
 19 acceptable to the trustees of the district where the school  
 20 is located. The trustees of the district where the school is  
 21 located may allow the attendance of a child under the  
 22 provisions of this section at their discretion. When the  
 23 attendance is approved, the trustees shall charge tuition at  
 24 the same rate prescribed by 20-5-305 reduced by any amount  
 25 which is uniformly waived by the trustees for all tuition

1 payments. However, under this section, tuition as determined  
 2 in 20-5-305 shall be reduced by the amount the parent of the  
 3 child paid in district and county property taxes during the  
 4 immediately preceding school fiscal year for the benefit and  
 5 support of the district in which the child will attend  
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7 (2) (a) For the purposes of this section, "parent"  
 8 includes an individual shareholder of a closely held or  
 9 family corporation as defined in 26 U.S.C. 1372, as that  
 10 statute reads on [the effective date of this act].

11 (b) The tax amount to be credited to reduce any  
 12 tuition charge to a parent under this subsection is  
 13 determined in the following manner:

14 (i) determine the percentage of the total shares of  
 15 the corporation held by the shareholder parent or parents;

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20 (c) The percentage of total shares as determined in  
 21 subsection (2)(b)(i) is the percentage of taxes paid as  
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24 Section 2. Section 20-5-313, MCA, is amended to read:

25 "20-5-313. Individual tuition for high school pupil.



1 (1) Any child eligible to attend high school may attend  
2 school in the high school district in which he resides  
3 without payment of tuition.

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9 NEW SECTION. Section 3. Effective date. This act is  
10 effective July 1, 1985.

-End-

APPROVED BY COMMITTEE  
ON TAXATION

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# STANDING COMMITTEE REPORT

HOUSE

MARCH 19 1985

MR. SPEAKER

We, your committee on EDUCATION AND CULTURAL RESOURCES

having had under consideration SENATE Bill No. 106

THIRD reading copy (BLUE color)

TO DEFINE PARENT AS SHAREHOLDER IN A FAMILY CORP FOR SCHOOL TUITION PURPOSE

Respectfully report as follows: That SENATE Bill No. 106

Be Amended as Follows:

- Page 2, lines 8 through 10.  
 Following: "of a" "act 1" on  
 Strike: remainder of line 8 through line 10  
 Insert: "domestic corporation as defined in 35-1-102 whose shares are 95% held by related family members to the sixth degree of affinity or by marriage to the sixth degree of affinity."
- Page 3, lines 18 through 20.  
 Following: "of a" "act 1" on  
 Strike: remainder of line 18 through line 20  
 Insert: "domestic corporation as defined in 35-1-102 whose shares are 95% held by related family members to the sixth degree of affinity or by marriage to the sixth degree of affinity."

KMc  
XXXXXXXX

54  
3/19

AND, AS AMENDED  
BE CONCURRED IN

REP. DAN HARRINGTON Chairman.

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6 school.

7 (2) (a) For the purposes of this section, "parent"  
8 includes an individual shareholder of a closely-held or  
9 family corporation as defined in 26-U.S.C.---1372,--as--that  
10 statute--reads--on--{the-effective-date-of-this-act} DOMESTIC  
11 CORPORATION AS DEFINED IN 35-1-102 WHOSE SHARES ARE 95% HELD  
12 BY RELATED FAMILY MEMBERS TO THE SIXTH DEGREE OF AFFINITY OR  
13 BY MARRIAGE TO THE SIXTH DEGREE OF AFFINITY.

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15 NEW SECTION. Section 3. Effective date. This act is  
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-End-

# CONFERENCE COMMITTEE REPORT

Report No. 1

APR 10, 1985

MR. PRESIDENT

We, your \_\_\_\_\_ Conference Committee on

met and considered \_\_\_\_\_ on April 10, 1985, the House Amendments to

SENATE BILL NO. 106.

We recommend as follows:

That Senate Bill No. 106, reference copy, be amended as follows:

1. Page 2, line 12.  
Following: "OF"  
Strike: "AFFINITY"  
Insert: "consanguinity"
2. Page 3, line 25.  
Following: "OF"  
Strike: "AFFINITY"  
Insert: "consanguinity"

CCSB106

And that this Conference Committee report be adopted.

FOR THE SENATE

*Daniels*  
\_\_\_\_\_  
DANIELS

*Lynch*  
\_\_\_\_\_  
LYNCH

*Shaw*  
\_\_\_\_\_  
SHAW

ADOPT REJECT

FOR THE HOUSE

*Hannah*  
\_\_\_\_\_  
HANNAH

*Thomas*  
\_\_\_\_\_  
THOMAS

*Ray Peck*  
\_\_\_\_\_  
PECK

*Ray-Soride*  
\_\_\_\_\_  
RAY-SORIDE

KB

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