

HOUSE JOINT RESOLUTION NO. 42

INTRODUCED BY VINCENT

IN THE HOUSE

MARCH 6, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON BUSINESS & LABOR.

MARCH 20, 1987 COMMITTEE RECOMMEND BILL
DO PASS. REPORT ADOPTED.

 PRINTING REPORT.

MARCH 25, 1987 SECOND READING, DO PASS.

MARCH 26, 1987 ENGROSSING REPORT.

 THIRD READING, PASSED.
AYES, 94; NOES, 5.

 TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 27, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON BUSINESS & INDUSTRY.

APRIL 1, 1987 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

APRIL 4, 1987 SECOND READING, CONCURRED IN.

APRIL 6, 1987 THIRD READING, CONCURRED IN.
AYES, 38; NOES, 11.

 RETURNED TO HOUSE.

IN THE HOUSE

APRIL 7, 1987 RECEIVED FROM SENATE.

 SENT TO ENROLLING.

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3
4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF
5 REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN
6 INTERIM STUDY OF THE EFFECTS OF THE BUSINESS IMPROVEMENT
7 DISTRICT ACT AND OF MONTANA'S TAX INCENTIVES FOR SMALL
8 BUSINESSES; AND REQUIRING A REPORT TO THE 51ST LEGISLATURE.

9
10 WHEREAS, the Business Improvement District Act, Title
11 7, chapter 12, part 11, MCA, provides for the creation of
12 business improvement districts to promote the health,
13 safety, prosperity, security, and general welfare of the
14 inhabitants thereof and of the people of the state and to be
15 of special benefit to the property within a district created
16 pursuant to the Act; and

17 WHEREAS, sections 15-31-124 through 15-31-127, MCA,
18 provide incentives for economic development in the form of
19 tax credits for new or expanding industry that offers
20 additional job opportunities in Montana; and

21 WHEREAS, sections 15-30-162 and 15-31-123, MCA, allow
22 credits against individual income tax and corporate license
23 tax for investment in certain depreciable property to
24 stimulate capital investment by small businesses; and

25 WHEREAS, section 15-33-106, MCA, exempts from

1 individual income tax and corporation license tax any
2 capital gains or dividend income realized from an investment
3 in a small business investment company; and

4 WHEREAS, carefully designed and targeted tax incentives
5 have been shown to be significant considerations in business
6 location decisions when used in conjunction with other
7 elements of sound economic development strategies; and

8 WHEREAS, Montana's business tax incentives must be
9 assessed objectively to evaluate their significance in
10 decisions to create new businesses and new jobs through
11 economic expansions and in attracting businesses to Montana.

12
13 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE
14 OF REPRESENTATIVES OF THE STATE OF MONTANA:

15 That an appropriate interim committee be assigned to
16 study the effectiveness of:

17 (1) the Business Improvement District Act, with
18 particular attention to:

- 19 (a) determining the extent of use of the Act;
- 20 (b) assessing the degree of success of the Act in
- 21 achieving its objectives where used; and
- 22 (c) proposing modifications to improve the
- 23 effectiveness of the Act to increase its influence in a
- 24 comprehensive economic development effort; and

25 (2) Montana's economic development tax incentives to



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1 determine if they are:

2 (a) useful as economic development tools;

3 (b) job intensive and properly targeted; and

4 (c) in need of modifications or improvements that will
5 enhance their value in encouraging growth of economic
6 opportunity in Montana.

7 BE IT FURTHER RESOLVED, that the committee report the
8 findings of the study to the 51st Legislature and, if
9 necessary, draft legislation to implement its
10 recommendations.

-End-

APPROVED BY COMM. ON
BUSINESS AND LABOR

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