

SENATE BILL NO. 389

INTRODUCED BY MCCALLUM, HALLIGAN

BY REQUEST OF THE SENATE TAXATION COMMITTEE

IN THE SENATE

FEBRUARY 25, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON TAXATION.

MARCH 10, 1987 COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

MARCH 11, 1987 PRINTING REPORT.

 SECOND READING, DO PASS.

MARCH 12, 1987 ENGROSSING REPORT.

MARCH 13, 1987 THIRD READING, PASSED.
AYES, 46; NOES, 4.

 TRANSMITTED TO HOUSE.

IN THE HOUSE

MARCH 13, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON TAXATION.

APRIL 7, 1987 COMMITTEE RECOMMEND BILL BE
CONCURRED IN AS AMENDED. REPORT
ADOPTED.

APRIL 9, 1987 SECOND READING, CONCURRED IN.

APRIL 10, 1987 THIRD READING, CONCURRED IN.
AYES, 79; NOES, 15.

 RETURNED TO SENATE WITH AMENDMENTS.

IN THE SENATE

APRIL 15, 1987 RECEIVED FROM HOUSE.

 SECOND READING, AMENDMENTS
CONCURRED IN.

APRIL 15, 1987

ON MOTION, RULES SUSPENDED TO PLACE
BILL ON THIRD READING THIS DAY.

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

1 *Senate* BILL NO. *389*
 2 INTRODUCED BY *McBath* *Hally*
 3 BY REQUEST OF THE SENATE TAXATION COMMITTEE
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE THE ANNUAL
 6 LICENSE TAX FEE ON MOTOR VEHICLES POWERED BY LIQUEFIED
 7 PETROLEUM GAS TO BE COMMENSURATE WITH THE TAX ON GASOLINE
 8 AND DIESEL FUEL; AMENDING SECTION 15-71-101, MCA; AND
 9 PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."
 10

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

12 Section 1. Section 15-71-101, MCA, is amended to read:

13 "15-71-101. Tax to be collected on motor vehicles
 14 self-propelled by a liquefied petroleum gas. (1) The
 15 department of highways shall, under the rules issued by the
 16 department of revenue, collect or cause to be collected from
 17 owners or operators of motor vehicles powered by any
 18 liquefied petroleum gas an annual license tax fee on each
 19 such vehicle, which license tax fee is prorated on a
 20 quarterly basis and may be paid quarterly, semiannually, or
 21 annually according to the following schedule:

22 (a) passenger cars and pickups whose licensed gross
 23 vehicle weight is 10,000 pounds or less, \$60 \$155;

24 (b) motor trucks and truck tractors whose licensed
 25 gross vehicle weight is over 10,000 pounds and less than

1 18,000 pounds, ~~\$00~~ \$206;

2 (c) motor trucks and truck tractors whose licensed
 3 gross vehicle weight is 18,000 pounds or more and less than
 4 48,000 pounds, ~~\$200~~ \$516;

5 (d) motor trucks and truck tractors whose licensed
 6 gross vehicle weight is 48,000 pounds or more, ~~\$1,000~~
 7 \$2,580.

8 (2) Upon payment of the tax required by this section,
 9 the department of highways shall provide a certificate to be
 10 carried in each vehicle, which is valid for a period no less
 11 than a calendar quarter or for such further calendar period
 12 for which the tax is paid."

13 NEW SECTION. Section 2. Extension of authority. Any
 14 existing authority of the department of revenue to make
 15 rules on the subject of the provisions of this act is
 16 extended to the provisions of this act.

17 NEW SECTION. Section 3. Effective date --
 18 applicability. (1) This act is effective July 1, 1987.

19 (2) This act applies to annual license tax fees paid
 20 after June 30, 1987.

-End-



STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB389, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to increase the annual license tax fee on motor vehicles powered by liquefied petroleum gas to be commensurate with the tax on gasoline and diesel fuel; providing an effective date and an applicability date.

ASSUMPTIONS:

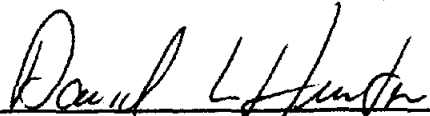
1. In FY86 1,890 vehicles purchased LPG permits for \$164,280.
2. The same number of vehicles will acquire permits under this bill, resulting in the collection of \$423,842 each year.
3. The proposed increase in fees for each class in 158%.
4. The same number of vehicles will register in each category as in FY86. Also the same number will register by quarters, half years and annually.

FISCAL IMPACT:

	FY88			FY89		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
<u>Revenues:</u>						
Highway Special Revenue Fund	\$ 164,280	\$ 423,842	\$ 259,562	\$ 164,280	\$ 423,842	\$ 259,562
<u>Expenditure:</u>	\$ 1,000	\$ 1,000	\$ 0	\$ 1,000	\$ 1,000	\$ 0
<u>Fund Distribution:</u>						
Highway Special Revenue Fund	\$ 163,280	\$ 422,842	\$ 259,562	\$ 163,280	\$ 422,842	\$ 259,562

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The proposal will increase Highway Special Revenue by \$259,562 annually.

 DATE 3/3/87
 DAVID L. HUNTER, BUDGET DIRECTOR
 Office of Budget and Program Planning

 DATE 3/3/87
 GEORGE MCCALLUM, PRIMARY SPONSOR

Fiscal Note for SB389, as introduced.

SB 389

APPROVED BY COMMITTEE
ON TAXATION

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 3 BY REQUEST OF THE SENATE TAXATION COMMITTEE
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 8 AND DIESEL FUEL; AMENDING SECTION 15-71-101, MCA, AND
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 18 liquefied petroleum gas an annual license tax fee on each
 19 such vehicle, which license tax fee is prorated on a
 20 quarterly basis and may be paid quarterly, semiannually, or
 21 annually according to the following schedule:

22 (a) passenger cars and pickups whose licensed gross
 23 vehicle weight is 10,000 pounds or less, ~~\$60~~ \$155 \$108;

24 (b) motor trucks and truck tractors whose licensed
 25 gross vehicle weight is over 10,000 pounds and less than

1 18,000 pounds, ~~\$80~~ \$206 \$144;

2 (c) motor trucks and truck tractors whose licensed
 3 gross vehicle weight is 18,000 pounds or more and less than
 4 48,000 pounds, ~~\$200~~ \$516 \$361;

5 (d) motor trucks and truck tractors whose licensed
 6 gross vehicle weight is 48,000 pounds or more, ~~\$1,700~~ \$2,500
 7 \$1,806;

8 (E) SCHOOL BUSES USED TO PROVIDE TRANSPORTATION
 9 SERVICES ON CONTRACT WITH SCHOOL DISTRICTS IN THIS STATE,
 10 \$60.

11 (2) Upon payment of the tax required by this section,
 12 the department of highways shall provide a certificate to be
 13 carried in each vehicle, which is valid for a period no less
 14 than a calendar quarter or for such further calendar period
 15 for which the tax is paid."

16 NEW SECTION. Section 2. Extension of authority. Any
 17 existing authority of the department of revenue to make
 18 rules on the subject of the provisions of this act is
 19 extended to the provisions of this act.

20 NEW SECTION. Section 3. Effective date --
 21 applicability. (1) This act is effective July 1, 1987.

22 (2) This act applies to annual license tax fees paid
 23 after June 30, 1987.

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7 PETROLEUM GAS TO BE COMMENSURATE WITH THE TAX ON GASOLINE
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3 gross vehicle weight is 18,000 pounds or more and less than
4 48,000 pounds, \$200 ~~\$516~~ \$361;

5 (d) motor trucks and truck tractors whose licensed
6 gross vehicle weight is 48,000 pounds or more, \$1,000 ~~\$2,500~~
7 \$1,800;

8 (E) SCHOOL BUSES USED TO PROVIDE TRANSPORTATION
9 SERVICES ON CONTRACT WITH SCHOOL DISTRICTS IN THIS STATE,
10 \$60.

11 (2) Upon payment of the tax required by this section,
12 the department of highways shall provide a certificate to be
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7 PETROLEUM GAS TO BE COMMENSURATE WITH THE TAX ON GASOLINE
8 AND DIESEL FUEL; AMENDING SECTION 15-71-101, MCA; AND
9 PROVIDING AN A DELAYED EFFECTIVE DATE AND AN APPLICABILITY
10 DATE."
11

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

13 Section 1. Section 15-71-101, MCA, is amended to read:

14 "15-71-101. Tax to be collected on motor vehicles
15 self-propelled by a liquefied petroleum gas. (1) The
16 department of highways shall, under the rules issued by the
17 department of revenue, collect or cause to be collected from
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1 gross vehicle weight is over 10,000 pounds and less than
2 18,000 pounds, ~~\$80~~ \$206 \$144;

3 (c) motor trucks and truck tractors whose licensed
4 gross vehicle weight is 18,000 pounds or more and less than
5 48,000 pounds, ~~\$200~~ \$516 \$361;

6 (d) motor trucks and truck tractors whose licensed
7 gross vehicle weight is 48,000 pounds or more, ~~\$17000~~ \$27500
8 \$1,806;

9 (E) SCHOOL BUSES USED TO PROVIDE TRANSPORTATION
10 SERVICES ON CONTRACT WITH SCHOOL DISTRICTS IN THIS STATE,
11 \$60 \$144.

12 (2) Upon payment of the tax required by this section,
13 the department of highways shall provide a certificate to be
14 carried in each vehicle, which is valid for a period no less
15 than a calendar quarter or for such further calendar period
16 for which the tax is paid."

17 NEW SECTION. Section 2. Extension of authority. Any
18 existing authority of the department of revenue to make
19 rules on the subject of the provisions of this act is
20 extended to the provisions of this act.

21 NEW SECTION. Section 3. Effective date --
22 applicability. (1) This act is effective ~~July--17--1987~~
23 JANUARY 1, 1988.

24 (2) This act applies to annual license tax fees paid
25 after ~~June-307-1987~~ DECEMBER 31, 1987.

-End-

-2-

SB 389

REFERENCE BILL

Mr. Speaker: We, the committee on HOUSE TAXATION

report SENATE BILL NO. 389

do pass
 do not pass

be concurred in
 be not concurred in

as amended
 statement of intent attached

Ramirez
Representative Jack Ramirez, Chairman

Be amended as follows:

1. Title, line 9
Strike: "AN"
Insert: "A DELAYED"
2. Page 2, line 10
Strike: "\$60"
Insert: "\$144"
3. Page 2, line 21
Strike: "July 1, 1987"
Insert: "January 1, 1988"
4. Page 2, line 23
Strike: "June 30, 1987"
Insert: "December 31, 1987"

Carried by Rep. Patterson

SW

gms