

HOUSE BILL NO. 791
INTRODUCED BY RAMIREZ, HARRINGTON

IN THE HOUSE

MARCH 27, 1989 INTRODUCED AND REFERRED TO COMMITTEE
ON TAXATION.

 FIRST READING.

MARCH 29, 1989 COMMITTEE RECOMMEND BILL
DO PASS. REPORT ADOPTED.

 PRINTING REPORT.

 ON MOTION, RULES SUSPENDED AND BILL
PLACED ON SECOND READING THIS DAY.

 SECOND READING, DO PASS.

MARCH 30, 1989 ENGROSSING REPORT.

 THIRD READING, PASSED.
AYES, 79; NOES, 19.

 TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 31, 1989 INTRODUCED AND REFERRED TO COMMITTEE
ON TAXATION.

 FIRST READING.

APRIL 11, 1989 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

APRIL 12, 1989 SECOND READING, CONCURRED IN
AS AMENDED. MOTION FAILED.
AYES, 11; NOES, 36.

 SEGREGATED FROM COMMITTEE
OF WHOLE REPORT AND INDEFINITELY
POSTPONED.

APRIL 13, 1989

SECOND READING, CONCURRED IN AS
AMENDED.

AYES, 24; NOES, 23.

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

THIRD READING, NOT CONCURRED IN.
AYES, 24; NOES, 24.

RETURNED TO HOUSE.

APRIL 14, 1989

ON MOTION, RULES SUSPENDED TO
RECONSIDER PREVIOUS ACTION AND
REQUEST RETURN OF BILL FROM HOUSE.

IN THE HOUSE

APRIL 14, 1989

RECEIVED FROM SENATE.

APRIL 15, 1989

ON MOTION OF REPRESENTATIVE HARPER,
REQUEST OF SENATE GRANTED FOR RETURN
OF HB 791 FOR FURTHER CONSIDERATION.

IN THE SENATE

APRIL 15, 1989

SECOND READING, CONCURRED IN AS
AMENDED.

APRIL 18, 1989

THIRD READING, CONCURRED IN.
AYES, 38; NOES, 11.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 18, 1989

ON MOTION, RULES SUSPENDED TO ALLOW
LATE TRANSMITTAL

APRIL 19, 1989

SECOND READING, AMENDMENTS NOT
CONCURRED IN.

ON MOTION, CONFERENCE COMMITTEE
REQUESTED AND APPOINTED.

IN THE SENATE

APRIL 19, 1989

ON MOTION, CONFERENCE COMMITTEE

REQUESTED AND APPOINTED.

CONFERENCE COMMITTEE DISSOLVED.

ON MOTION, FREE CONFERENCE COMMITTEE
REQUESTED AND APPOINTED.

IN THE HOUSE

APRIL 19, 1989

ON MOTION, FREE CONFERENCE COMMITTEE
REQUESTED AND APPOINTED.

APRIL 20, 1989

SECOND READING, FIRST FREE CONFERENCE
COMMITTEE REPORT ADOPTED.

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

THIRD READING, FIRST FREE CONFERENCE
COMMITTEE REPORT ADOPTED.

IN THE SENATE

APRIL 20, 1989

FIRST FREE CONFERENCE
COMMITTEE REPORT REJECTED.

IN THE HOUSE

APRIL 20, 1989

ON MOTION, SECOND FREE CONFERENCE COMMITTEE
REQUESTED AND APPOINTED.

APRIL 21, 1989

SECOND READING, SECOND FREE CONFERENCE
COMMITTEE REPORT ADOPTED.

THIRD READING, SECOND FREE CONFERENCE
COMMITTEE REPORT ADOPTED.

IN THE SENATE

APRIL 21, 1989

ON MOTION, SECOND FREE CONFERENCE COMMITTEE
REQUESTED AND APPOINTED.

SECOND FREE CONFERENCE
COMMITTEE REPORT ADOPTED.

IN THE HOUSE

APRIL 21, 1989

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 HOUSE BILL NO. 791
2 INTRODUCED BY Ramsey Hunt
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT WAIVING DELINQUENT
5 TAXES, PENALTIES, AND INTEREST FOR A DOMESTICALLY
6 INCORPORATED AIRLINE THAT HAS FILED A REORGANIZATION PLAN IN
7 FEDERAL BANKRUPTCY; AMENDING SECTION 15-16-102, MCA; AND
8 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 NEW SECTION. Section 1. Waiver of certain taxes.
12 Delinquent taxes, penalties, and interest for taxable years
13 prior to 1986 are waived for an airline incorporated in
14 Montana that has filed for chapter 11 bankruptcy before [the
15 effective date of this act]. The penalty and interest on
16 delinquent taxes for taxable years 1986, 1987, and 1988 are
17 waived for an airline incorporated in Montana that has filed
18 for chapter 11 bankruptcy before [the effective date of this
19 act].

20 Section 2. Section 15-16-102, MCA, is amended to read:

21 "15-16-102. Time for payment -- penalty for
22 delinquency. All Except as provided in [section 1], all
23 taxes levied and assessed in the state of Montana, except
24 assessments made for special improvements in cities and
25 towns payable under 15-16-103 and assessments made on

1 interim production and new production as provided in Title
2 15, chapter 23, part 6, and payable under 15-16-121, shall
3 be payable as follows:

4 (1) One-half of the amount of such taxes shall be
5 payable on or before 5 p.m. on November 30 of each year or
6 within 30 days after the tax notice is postmarked, whichever
7 is later, and one-half on or before 5 p.m. on May 31 of each
8 year.

9 (2) Unless one-half of such taxes are paid on or
10 before 5 p.m. on November 30 of each year or within 30 days
11 after the tax notice is postmarked, whichever is later, then
12 such amount so payable shall become delinquent and shall
13 draw interest at the rate of 5/6 of 1% per month from and
14 after such delinquency until paid and 2% shall be added to
15 the delinquent taxes as a penalty.

16 (3) All taxes due and not paid on or before 5 p.m. on
17 May 31 of each year shall be delinquent and shall draw
18 interest at the rate of 5/6 of 1% per month from and after
19 such delinquency until paid and 2% shall be added to the
20 delinquent taxes as a penalty.

21 (4) If the date on which taxes are due falls on a
22 holiday or Saturday, taxes may be paid without penalty or
23 interest on or before 5 p.m. of the next business day in
24 accordance with 1-1-307.

25 (5) If the taxes become delinquent, the county

LC 1818/01

1 treasurer may accept a partial payment equal to the
2 delinquent taxes, including penalty and interest, for one or
3 more full taxable years, provided both halves of the current
4 tax year have been paid. Payment of delinquent taxes must be
5 applied to the taxes that have been delinquent the longest."

6 NEW SECTION. **Section 3.** Contingent voidness. If an
7 airline that qualifies for the tax benefit contained in
8 [section 1] converts from a chapter 11 bankruptcy to a
9 chapter 7 bankruptcy, [this act] is void.

10 NEW SECTION. **Section 4.** Effective date. [This act] is
11 effective on passage and approval.

-End-

APPROVED BY COMMITTEE
ON TAXATION

1 *HOUSE* BILL NO. *791*
2 INTRODUCED BY *Danney Hunt*
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT WAIVING DELINQUENT
5 TAXES, PENALTIES, AND INTEREST FOR A DOMESTICALLY
6 INCORPORATED AIRLINE THAT HAS FILED A REORGANIZATION PLAN IN
7 FEDERAL BANKRUPTCY; AMENDING SECTION 15-16-102, MCA; AND
8 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 NEW SECTION. **Section 1.** Waiver of certain taxes.
12 Delinquent taxes, penalties, and interest for taxable years
13 prior to 1986 are waived for an airline incorporated in
14 Montana that has filed for chapter 11 bankruptcy before [the
15 effective date of this act]. The penalty and interest on
16 delinquent taxes for taxable years 1986, 1987, and 1988 are
17 waived for an airline incorporated in Montana that has filed
18 for chapter 11 bankruptcy before [the effective date of this
19 act].

20 **Section 2.** Section 15-16-102, MCA, is amended to read:
21 "15-16-102. Time for payment -- penalty for
22 delinquency. All Except as provided in [section 1], all
23 taxes levied and assessed in the state of Montana, except
24 assessments made for special improvements in cities and
25 towns payable under 15-16-103 and assessments made on

1 interim production and new production as provided in Title
2 15, chapter 23, part 6, and payable under 15-16-121, shall
3 be payable as follows:

4 (1) One-half of the amount of such taxes shall be
5 payable on or before 5 p.m. on November 30 of each year or
6 within 30 days after the tax notice is postmarked, whichever
7 is later, and one-half on or before 5 p.m. on May 31 of each
8 year.

9 (2) Unless one-half of such taxes are paid on or
10 before 5 p.m. on November 30 of each year or within 30 days
11 after the tax notice is postmarked, whichever is later, then
12 such amount so payable shall become delinquent and shall
13 draw interest at the rate of 5/6 of 1% per month from and
14 after such delinquency until paid and 2% shall be added to
15 the delinquent taxes as a penalty.

16 (3) All taxes due and not paid on or before 5 p.m. on
17 May 31 of each year shall be delinquent and shall draw
18 interest at the rate of 5/6 of 1% per month from and after
19 such delinquency until paid and 2% shall be added to the
20 delinquent taxes as a penalty.

21 (4) If the date on which taxes are due falls on a
22 holiday or Saturday, taxes may be paid without penalty or
23 interest on or before 5 p.m. of the next business day in
24 accordance with 1-1-307.

25 (5) If the taxes become delinquent, the county

LC 1818/01

1 treasurer may accept a partial payment equal to the
2 delinquent taxes, including penalty and interest, for one or
3 more full taxable years, provided both halves of the current
4 tax year have been paid. Payment of delinquent taxes must be
5 applied to the taxes that have been delinquent the longest."

6 NEW SECTION. **Section 3.** Contingent voidness. If an
7 airline that qualifies for the tax benefit contained in
8 [section 1] converts from a chapter 11 bankruptcy to a
9 chapter 7 bankruptcy, [this act] is void.

10 NEW SECTION. **Section 4.** Effective date. [This act] is
11 effective on passage and approval.

-End-

1 HOUSE BILL NO. 791
2 INTRODUCED BY Ramsey, Huels
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT WAIVING DELINQUENT
5 TAXES, PENALTIES, AND INTEREST FOR A DOMESTICALLY
6 INCORPORATED AIRLINE THAT HAS FILED A REORGANIZATION PLAN IN
7 FEDERAL BANKRUPTCY; AMENDING SECTION 15-16-102, MCA; AND
8 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 NEW SECTION. **Section 1. Waiver of certain taxes.**
12 Delinquent taxes, penalties, and interest for taxable years
13 prior to 1986 are waived for an airline incorporated in
14 Montana that has filed for chapter 11 bankruptcy before [the
15 effective date of this act]. The penalty and interest on
16 delinquent taxes for taxable years 1986, 1987, and 1988 are
17 waived for an airline incorporated in Montana that has filed
18 for chapter 11 bankruptcy before [the effective date of this
19 act].

20 **Section 2.** Section 15-16-102, MCA, is amended to read:

21 "15-16-102. Time for payment -- penalty for
22 delinquency. All Except as provided in [section 1], all
23 taxes levied and assessed in the state of Montana, except
24 assessments made for special improvements in cities and
25 towns payable under 15-16-103 and assessments made on

1 interim production and new production as provided in Title
2 15, chapter 23, part 6, and payable under 15-16-121, shall
3 be payable as follows:

4 (1) One-half of the amount of such taxes shall be
5 payable on or before 5 p.m. on November 30 of each year or
6 within 30 days after the tax notice is postmarked, whichever
7 is later, and one-half on or before 5 p.m. on May 31 of each
8 year.

9 (2) Unless one-half of such taxes are paid on or
10 before 5 p.m. on November 30 of each year or within 30 days
11 after the tax notice is postmarked, whichever is later, then
12 such amount so payable shall become delinquent and shall
13 draw interest at the rate of 5/6 of 1% per month from and
14 after such delinquency until paid and 2% shall be added to
15 the delinquent taxes as a penalty.

16 (3) All taxes due and not paid on or before 5 p.m. on
17 May 31 of each year shall be delinquent and shall draw
18 interest at the rate of 5/6 of 1% per month from and after
19 such delinquency until paid and 2% shall be added to the
20 delinquent taxes as a penalty.

21 (4) If the date on which taxes are due falls on a
22 holiday or Saturday, taxes may be paid without penalty or
23 interest on or before 5 p.m. of the next business day in
24 accordance with 1-1-307.

25 (5) If the taxes become delinquent, the county

LC 1818/01

1 treasurer may accept a partial payment equal to the
2 delinquent taxes, including penalty and interest, for one or
3 more full taxable years, provided both halves of the current
4 tax year have been paid. Payment of delinquent taxes must be
5 applied to the taxes that have been delinquent the longest."

6 NEW SECTION. **Section 3.** Contingent voidness. If an
7 airline that qualifies for the tax benefit contained in
8 [section 1] converts from a chapter 11 bankruptcy to a
9 chapter 7 bankruptcy, [this act] is void.

10 NEW SECTION. **Section 4.** Effective date. [This act] is
11 effective on passage and approval.

-End-

SENATE COMMITTEE OF THE WHOLE AMENDMENT

page 1 of 2
April 12, 1989 2:10 pm

SENATE COMMITTEE OF THE WHOLE, HB 791
Page 2 of 2
April 12, 1989

Mr. Chairman: I move to amend HB 791 (third reading copy -- blue)
as follows:

1. Title, line 4.
Following: "DELINQUENT"
Insert: "PROPERTY"

2. Title, line 5.
Following: "INTEREST"
Insert: "FOR PROPERTY TAXES LEVIED BY THE STATE OF MONTANA"

3. Title, line 7.
Following: "BANKRUPTCY;"
Insert: "ALLOWING A LOCAL GOVERNMENT TO WAIVE DELINQUENT PROPERTY
TAXES, PENALTIES, AND INTEREST FOR A DOMESTICALLY INCORPORATED
AIRLINE THAT HAS FILED A REORGANIZATION PLAN IN FEDERAL
BANKRUPTCY;"

4. Page 1, line 11.
Following: "certain"
Insert: "state"
Following: "taxes."
Insert: "(1)"

5. Page 1.
Following: line 19
Insert: "(2) The tax waiver provided by this section applies to
property taxes levied under Title 15, chapter 10, 20-9-331,
and 20-9-333.

NEW SECTION. Section 2. Waiver of certain local government
taxes. (1) The governing body of a county, consolidated
government, or incorporated city or town may waive delinquent
taxes, penalties, and interest for an airline described in [section
1] located within its jurisdiction for any of the taxable years
provided in [section 1].

(2) Before a tax waiver may be granted, the governing body
of a county, consolidated government, or incorporated city or town
shall approve the tax waiver by resolution, after notice and
hearing.

(3) The tax waiver described in subsection (1) applies only
to the number of mills levied for local high school district and
elementary school district purposes and to the number of mills
levied and assessed by the governing body approving the exemption
over which the governing body has sole discretion."

Renumber: subsequent sections

6. Page 1, line 22.
Strike: "[section 1]"
Insert: "[sections 1 and 2]"

7. Page 3, line 8.
Strike: "[section 1]"
Insert: "[sections 1 and 2]"

ADOPT

REJECT

Signed: _____

Senator Mazurek

SENATE COMMITTEE OF THE WHOLE AMENDMENT

April 15, 1989 8:40 am

Mr. Chairman: I move to amend HB 791 (third reading copy -- blue) as follows:

Amend the Senate Committee of the Whole amendments, offered by Senator Mazurek and dated April 12, 1989, as follows:

Amendment No. 3
In Insert
Strike: "WAIVE"
Insert: "SUSPEND"

Amendment No. 5
In Insert
Strike: "waiver"
Insert: "suspension"
In New Section, Section 2. Insert
Strike: "Waiver"
Insert: "Suspension"
Strike: "waive" in subsection (1)
Insert: "suspend for 36 months from [the effective date of this act]"
Strike: "waiver" in subsections (2) (both places) and (3)
Insert: "suspension"

ADOPT

REJECT

Signed: _____


Senator Mazurek

cwhb791D.415

SENATE COMMITTEE OF THE WHOLE AMENDMENT

April 13, 1989 2:05 pm

Mr. Chairman: I move to amend HB 791 (third reading copy -- blue) as follows:

Amend the Committee of the Whole amendments, offered by Senator Mazurek and dated April 12, 1989, as follows:

Amendment No. 5
Following: ~~last line of insert~~ "20-9-393."
Insert: "(3) The repayment of all delinquent taxes, penalties, and interest suspended under subsection (1) must be included in the chapter 11 bankruptcy reorganization plan of the airline."

Amend (third reading copy -- blue) as follows:

1. Title, line 4.
Strike: "WAIVING"
Insert: "SUSPENDING"
2. Title, line 5.
Following: "INTEREST"
Insert: "FOR 36 MONTHS"

3. Page 1, line 11.
Strike: "Waiver"
Insert: "Suspension"
Following: "taxes."
Insert: "(1)"

4. Page 1, line 13.
Strike: "waived"
Insert: "suspended for 36 months from [the effective date of this act]"

5. Page 1, line 17.
Strike: "waived"
Insert: "suspended for 36 months from [the effective date of this act]"

ADOPT

REJECT

Signed: _____


Senator Hager

HB 791 B 1

SENATE

HOUSE BILL NO. 791

INTRODUCED BY RAMIREZ, HARRINGTON

A BILL FOR AN ACT ENTITLED: "AN ACT WAIVING SUSPENDING DELINQUENT PROPERTY TAXES, PENALTIES, AND INTEREST FOR 36 MONTHS FOR PROPERTY TAXES LEVIED BY THE STATE OF MONTANA FOR A DOMESTICALLY INCORPORATED AIRLINE THAT HAS FILED A REORGANIZATION PLAN IN FEDERAL BANKRUPTCY; ALLOWING A LOCAL GOVERNMENT TO WAIVE SUSPEND DELINQUENT PROPERTY TAXES, PENALTIES, AND INTEREST FOR A DOMESTICALLY INCORPORATED AIRLINE THAT HAS FILED A REORGANIZATION PLAN IN FEDERAL BANKRUPTCY; AMENDING SECTION 15-16-102, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

NEW SECTION. Section 1. Waiver SUSPENSION of certain STATE taxes. (1) Delinquent taxes, penalties, and interest for taxable years prior to 1986 are waived SUSPENDED FOR 36 MONTHS FROM [THE EFFECTIVE DATE OF THIS ACT] for an airline incorporated in Montana that has filed for chapter 11 bankruptcy before [the effective date of this act]. The penalty and interest on delinquent taxes for taxable years 1986, 1987, and 1988 are waived SUSPENDED FOR 36 MONTHS FROM [THE EFFECTIVE DATE OF THIS ACT] for an airline incorporated in Montana that has filed for chapter 11 bankruptcy before

[the effective date of this act].

(2) THE TAX WAIVER SUSPENSION PROVIDED BY THIS SECTION APPLIES TO PROPERTY TAXES LEVIED UNDER TITLE 15, CHAPTER 10, 20-9-331, AND 20-9-333.

(3) THE REPAYMENT OF ALL DELINQUENT TAXES, PENALTIES, AND INTEREST SUSPENDED UNDER SUBSECTION (1) MUST BE INCLUDED IN THE CHAPTER 11 BANKRUPTCY REORGANIZATION PLAN OF THE AIRLINE.

NEW SECTION. SECTION 2. -WAIVER SUSPENSION OF CERTAIN LOCAL GOVERNMENT TAXES. (1) THE GOVERNING BODY OF A COUNTY, CONSOLIDATED GOVERNMENT, OR INCORPORATED CITY OR TOWN MAY WAIVE SUSPEND FOR 36 MONTHS FROM [THE EFFECTIVE DATE OF THIS ACT] DELINQUENT TAXES, PENALTIES, AND INTEREST FOR AN AIRLINE DESCRIBED IN [SECTION 1] LOCATED WITHIN ITS JURISDICTION FOR ANY OF THE TAXABLE YEARS PROVIDED IN [SECTION 1].

(2) BEFORE A TAX WAIVER SUSPENSION MAY BE GRANTED, THE GOVERNING BODY OF A COUNTY, CONSOLIDATED GOVERNMENT, OR INCORPORATED CITY OR TOWN SHALL APPROVE THE TAX WAIVER SUSPENSION BY RESOLUTION, AFTER NOTICE AND HEARING.

(3) THE TAX WAIVER SUSPENSION DESCRIBED IN SUBSECTION (1) APPLIES ONLY TO THE NUMBER OF MILLS LEVIED FOR LOCAL HIGH SCHOOL DISTRICT AND ELEMENTARY SCHOOL DISTRICT PURPOSES AND TO THE NUMBER OF MILLS LEVIED AND ASSESSED BY THE GOVERNING BODY APPROVING THE EXEMPTION OVER WHICH THE

GOVERNING BODY HAS SOLE DISCRETION.

Section 3. Section 15-16-102, MCA, is amended to read:

"15-16-102. Time for payment -- penalty for delinquency. ~~All~~ Except as provided in ~~{section-1}~~ [SECTIONS 1 AND 2], all taxes levied and assessed in the state of Montana, except assessments made for special improvements in cities and towns payable under 15-16-103 and assessments made on interim production and new production as provided in Title 15, chapter 23, part 6, and payable under 15-16-121, shall be payable as follows:

(1) One-half of the amount of such taxes shall be payable on or before 5 p.m. on November 30 of each year or within 30 days after the tax notice is postmarked, whichever is later, and one-half on or before 5 p.m. on May 31 of each year.

(2) Unless one-half of such taxes are paid on or before 5 p.m. on November 30 of each year or within 30 days after the tax notice is postmarked, whichever is later, then such amount so payable shall become delinquent and shall draw interest at the rate of 5/6 of 1% per month from and after such delinquency until paid and 2% shall be added to the delinquent taxes as a penalty.

(3) All taxes due and not paid on or before 5 p.m. on May 31 of each year shall be delinquent and shall draw interest at the rate of 5/6 of 1% per month from and after

such delinquency until paid and 2% shall be added to the delinquent taxes as a penalty.

(4) If the date on which taxes are due falls on a holiday or Saturday, taxes may be paid without penalty or interest on or before 5 p.m. of the next business day in accordance with 1-1-307.

(5) If the taxes become delinquent, the county treasurer may accept a partial payment equal to the delinquent taxes, including penalty and interest, for one or more full taxable years, provided both halves of the current tax year have been paid. Payment of delinquent taxes must be applied to the taxes that have been delinquent the longest."

NEW SECTION. Section 4. Contingent voidness. If an airline that qualifies for the tax benefit contained in ~~{section--1}~~ [SECTIONS 1 AND 2] converts from a chapter 11 bankruptcy to a chapter 7 bankruptcy, [this act] is void.

NEW SECTION. Section 5. Effective date. [This act] is effective on passage and approval.

-End-

Free Conference Committee
on HOUSE BILL 791
Report No. 1, April 20, 1989

Page 1 of 2

Mr. Speaker and Mr. President:

We, your Free Conference Committee on House Bill 791 met and considered:

House Bill 791 (reference copy -- salmon) in its entirety.

We recommend that House Bill 791 (reference copy -- salmon) be amended as follows:

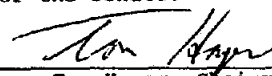
- 1) Strike the Senate Committee of the Whole amendments dated April 15, 1989 in their entirety.
- 2) Strike the Senate Committee of the Whole amendments dated April 13, 1989 in their entirety.
- 3) Strike the Senate Committee of the Whole amendments dated April 12, 1989 in their entirety.
- 4) Restore the language of the bill as printed in House Bill 791 (third reading copy -- blue):
 - a) Title, line 4 (reference bill, salmon)
Strike: "SUSPENDING"
Insert: "WAIVING"
 - b) Title, line 5 (reference bill, salmon)
Strike: "PROPERTY"
Following: "INTEREST"
Strike: "FOR 36" on line 5 to "MONTANA" on line 6
 - c) Title, lines 8 to 12 (reference bill, salmon)
Strike: "ALLOWING" on line 8 through "BANKRUPTCY; on line 12
 - d) Page 1, line 16 (reference bill -- salmon)
Strike: "SUSPENSION"
Insert: "Waiver"
 - e) Page 1, line 17 (reference bill -- salmon)
Strike: "STATE"
Following: "taxes."
Strike: "(1)"
 - f) Page 1, lines 18 and 19 (reference bill -- salmon)

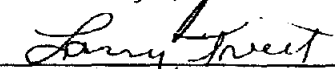
Strike: "SUSPENDED" on line 18 through "THIS ACT]" on line 19
Insert: "waived"

- g) Page 1, lines 23 and 24 (reference bill -- salmon)
Strike: "SUSPENDED" on line 23 through "THIS ACT]" on line 23
Insert: "waived"
- h) Page 2, lines 2 through 8 (reference bill -- salmon)
Strike: subsections (2) and (3) in their entirety
- i) Page 2, line 9 through page 3, line 1 (reference copy -- salmon)
Strike: section 2 in its entirety.
Renumber: subsequent sections
- j) Page 3, lines 4 and 5 (reference bill -- salmon)
Strike: "SECTIONS" on line 4 through "2" on line 5
Insert: "Section 1"
- k) Page 4, line 15 (reference bill -- salmon)
Strike: "SECTIONS 1 AND 2"
Insert: "Section 1"

And that this Free Conference Committee Report be adopted.

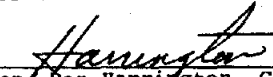
For the Senate:


Sen. Tom Hager, Chairman

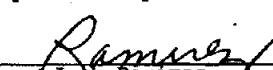

Sen. Larry Tveit

Sen. Fred Van Valkenburg

For the House:


Rep. Dan Harrington, Chairman

Rep. Ted Schye


Rep. Jack Ramirez

ADOPT

REJECT

ADOPT

REJECT

891301CC.HBV

891301CC.HBV

HB 791

Free Conference Committee
on HOUSE BILL 791
Report No. 2, April 21, 1989

Page 1 of 1

Mr. Speaker and Mr. President:

We, your Free Conference Committee on HOUSE BILL 791 met and considered:

House Bill 791 (reference sheet -- salmon) in its entirety.

We recommend that HOUSE BILL 791 (reference copy -- salmon) be amended as follows:

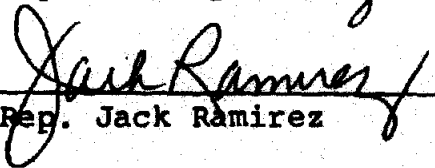
1. Page 1, line 18.
Strike: "1986"
Insert: "1988"
2. Page 1, line 21 through page 2, line 1.
Following: "act] ." on page 1, line 21
Strike: "The" on page 1, line 21 through "act] ." on page 2, line 1.

And that this Conference Committee Report be adopted.

For the House:


Rep. Dan Harrington, Chairman


Rep. Ted Shye


Rep. Jack Ramirez

For the Senate:


Sen. Tom Hager, Chairman


Sen. Larry Tveit


Sen. Fred Van Valkenburg

ADOPT

REJECT

HB 791
Report #2

HOUSE BILL NO. 791

INTRODUCED BY RAMIREZ, HARRINGTON

A BILL FOR AN ACT ENTITLED: "AN ACT WAIVING SUSPENDING DELINQUENT PROPERTY TAXES, PENALTIES, AND INTEREST FOR 36 MONTHS FOR PROPERTY TAXES LEVIED BY THE STATE OF MONTANA FOR A DOMESTICALLY INCORPORATED AIRLINE THAT HAS FILED A REORGANIZATION PLAN IN FEDERAL BANKRUPTCY; ALLOWING A LOCAL GOVERNMENT TO WAIVE SUSPEND DELINQUENT PROPERTY TAXES, PENALTIES, AND INTEREST FOR A DOMESTICALLY INCORPORATED AIRLINE THAT HAS FILED A REORGANIZATION PLAN IN FEDERAL BANKRUPTCY; AMENDING SECTION 15-16-102, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

NEW SECTION. Section 1. Waiver SUSPENSION of certain STATE taxes. (1) Delinquent taxes, penalties, and interest for taxable years prior to 1986 1988 are waived SUSPENDED FOR 36 MONTHS FROM [THE EFFECTIVE DATE OF THIS ACT] for an airline incorporated in Montana that has filed for chapter 11 bankruptcy before [the effective date of this act]. The penalty and interest on delinquent taxes for --taxable-- years 1986-1987 and 1988 are waived SUSPENDED FOR 36 MONTHS FROM [THE EFFECTIVE DATE OF THIS ACT] for an airline incorporated in Montana that has filed for chapter 11 bankruptcy before

~~{the effective date of this act}.~~

(2) THE TAX WAIVER SUSPENSION PROVIDED BY THIS SECTION APPLIES TO PROPERTY TAXES LEVIED UNDER TITLE 15, CHAPTER 10, 20-9-331, AND 20-9-333.

(3) THE REPAYMENT OF ALL DELINQUENT TAXES, PENALTIES, AND INTEREST SUSPENDED UNDER SUBSECTION (1) MUST BE INCLUDED IN THE CHAPTER 11 BANKRUPTCY REORGANIZATION PLAN OF THE AIRLINE.

NEW SECTION. SECTION 2. -WAIVER SUSPENSION OF CERTAIN LOCAL GOVERNMENT TAXES. (1) THE GOVERNING BODY OF A COUNTY, CONSOLIDATED GOVERNMENT, OR INCORPORATED CITY OR TOWN MAY WAIVE SUSPEND FOR 36 MONTHS FROM [THE EFFECTIVE DATE OF THIS ACT] DELINQUENT TAXES, PENALTIES, AND INTEREST FOR AN AIRLINE DESCRIBED IN [SECTION 1] LOCATED WITHIN ITS JURISDICTION FOR ANY OF THE TAXABLE YEARS PROVIDED IN [SECTION 1].

(2) BEFORE A TAX WAIVER SUSPENSION MAY BE GRANTED, THE GOVERNING BODY OF A COUNTY, CONSOLIDATED GOVERNMENT, OR INCORPORATED CITY OR TOWN SHALL APPROVE THE TAX WAIVER SUSPENSION BY RESOLUTION, AFTER NOTICE AND HEARING.

(3) THE TAX WAIVER SUSPENSION DESCRIBED IN SUBSECTION (1) APPLIES ONLY TO THE NUMBER OF MILLS LEVIED FOR LOCAL HIGH SCHOOL DISTRICT AND ELEMENTARY SCHOOL DISTRICT PURPOSES AND TO THE NUMBER OF MILLS LEVIED AND ASSESSED BY THE GOVERNING BODY APPROVING THE EXEMPTION OVER WHICH THE

1 GOVERNING BODY HAS SOLE DISCRETION.

2 **Section 3.** Section 15-16-102, MCA, is amended to read:

3 "15-16-102. Time for payment -- penalty for
4 delinquency. ~~At~~ Except as provided in ~~{section-1}~~ [SECTIONS
5 1 AND 2], all taxes levied and assessed in the state of
6 Montana, except assessments made for special improvements in
7 cities and towns payable under 15-16-103 and assessments
8 made on interim production and new production as provided in
9 Title 15, chapter 23, part 6, and payable under 15-16-121,
10 shall be payable as follows:

11 (1) One-half of the amount of such taxes shall be
12 payable on or before 5 p.m. on November 30 of each year or
13 within 30 days after the tax notice is postmarked, whichever
14 is later, and one-half on or before 5 p.m. on May 31 of each
15 year.

16 (2) Unless one-half of such taxes are paid on or
17 before 5 p.m. on November 30 of each year or within 30 days
18 after the tax notice is postmarked, whichever is later, then
19 such amount so payable shall become delinquent and shall
20 draw interest at the rate of 5/6 of 1% per month from and
21 after such delinquency until paid and 2% shall be added to
22 the delinquent taxes as a penalty.

23 (3) All taxes due and not paid on or before 5 p.m. on
24 May 31 of each year shall be delinquent and shall draw
25 interest at the rate of 5/6 of 1% per month from and after

1 such delinquency until paid and 2% shall be added to the
2 delinquent taxes as a penalty.

3 (4) If the date on which taxes are due falls on a
4 holiday or Saturday, taxes may be paid without penalty or
5 interest on or before 5 p.m. of the next business day in
6 accordance with 1-1-307.

7 (5) If the taxes become delinquent, the county
8 treasurer may accept a partial payment equal to the
9 delinquent taxes, including penalty and interest, for one or
10 more full taxable years, provided both halves of the current
11 tax year have been paid. Payment of delinquent taxes must be
12 applied to the taxes that have been delinquent the longest."

13 NEW SECTION. **Section 4.** Contingent voidness. If an
14 airline that qualifies for the tax benefit contained in
15 ~~{section--1}~~ [SECTIONS 1 AND 2] converts from a chapter 11
16 bankruptcy to a chapter 7 bankruptcy, [this act] is void.

17 NEW SECTION. **Section 5.** Effective date. [This act] is
18 effective on passage and approval.

-End-