

HOUSE BILL NO. 363

INTRODUCED BY J. RICE, DOHERTY

IN THE HOUSE

JANUARY 27, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
	FIRST READING.
FEBRUARY 9, 1993	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
FEBRUARY 10, 1993	PRINTING REPORT.
FEBRUARY 11, 1993	SECOND READING, DO PASS.
FEBRUARY 12, 1993	ENGROSSING REPORT.
FEBRUARY 13, 1993	THIRD READING, PASSED. AYES, 61; NOES, 37.
FEBRUARY 15, 1993	TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 16, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON LOCAL GOVERNMENT.
	FIRST READING.
MARCH 17, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 18, 1993	SECOND READING, CONCURRED IN.
MARCH 19, 1993	THIRD READING, CONCURRED IN. AYES, 45; NOES, 2.
	RETURNED TO HOUSE.

IN THE HOUSE

MARCH 20, 1993	RECEIVED FROM SENATE.
	SENT TO ENROLLING.
	REPORTED CORRECTLY ENROLLED.

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House BILL NO. 363  
INTRODUCED BY Joe DeLoach

A BILL FOR AN ACT ENTITLED: "AN ACT EXTENDING THE PROVISION  
THAT STIPULATES THE DISTRIBUTION OF A PORTION OF THE LOCAL  
OPTION VEHICLE TAX TO THE COUNTIES AND MUNICIPALITIES;  
AMENDING SECTION 4, CHAPTER 749, LAWS OF 1991; AND PROVIDING  
AN IMMEDIATE EFFECTIVE DATE."

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

**Section 1.** Section 4, Chapter 749, Laws of 1991, is  
amended to read:

"Section 4. Termination. [This act] terminates June 30,  
1993 1995."

NEW SECTION. **Section 2.** Effective date. [This act] is  
effective on passage and approval.

-End-

## STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0363, as introduced.

**DESCRIPTION OF PROPOSED LEGISLATION:** An act extending the provision that stipulates the distribution of a portion of the local option vehicle tax to the counties and municipalities.

**ASSUMPTIONS:**

1. Average mill levies applied to personal property are 6.00 mills for the universities, 95.00 mills for the school foundation program, 71.39 for counties, 119.33 for local schools, and 99.50 for cities/towns.
2. Those counties imposing local option vehicle tax in FY93 will continue to do so during the 1995 biennium at FY93 rates.
3. The market value of light motor vehicles in those counties imposing a local option vehicle tax will remain at FY92 levels through out the 1995 biennium.

**FISCAL IMPACT:**

	FY '94			FY '95		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Revenues:						
Universities	91,397	0	(91,397)	91,397	0	(91,397)
School Foundation	<u>1,440,991</u>	<u>0</u>	<u>(1,440,991)</u>	<u>1,440,991</u>	<u>0</u>	<u>(1,440,991)</u>
Total	1,532,388	0	(1,532,388)	1,532,388	0	(1,532,388)

**EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:****Change in Local Option Vehicle Tax Revenues:**

	FY '94			FY '95		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Counties	1,083,118	4,515,945	3,432,827	1,083,118	4,515,945	3,432,827
Local Schools	1,810,142	0	(1,810,142)	1,810,142	0	(1,810,142)
Cities/Towns	<u>1,509,243</u>	<u>1,418,946</u>	<u>(90,297)</u>	<u>1,509,243</u>	<u>1,418,946</u>	<u>(90,297)</u>
Total	4,402,503	5,934,891	1,532,388	4,402,503	5,934,891	1,532,388

**LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:** Beginning with FY96, fiscal impacts shown above would be reversed, since proposed law would terminate June 30, 1995.

*David Lewis* 2-1-93  
 DAVID LEWIS, BUDGET DIRECTOR DATE  
 Office of Budget and Program Planning

*Jim Rice* 2-2-93  
 JIM RICE, PRIMARY SPONSOR DATE

Fiscal Note for HB0363, as introduced

**HB 363**

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0363, second reading.

DESCRIPTION OF PROPOSED LEGISLATION: An act extending the provision that stipulates the distribution of a portion of the local option vehicle tax to the counties and municipalities.

ASSUMPTIONS:


1. The school equalization estimates contained in HJR3 do not anticipate revenues from the local option vehicle tax because of the discretionary nature of the tax. The university levy estimate implicit in HJR3, likewise, ignores this potential revenue.

FISCAL IMPACT:

The proposal will have no impact on the estimates contained in HJR3.

EFFECT ON COUNTY OR OTHER LOCAL GOVERNMENT REVENUES:

The proposal will result in a shift in the distribution of local option revenues among local entities. County governments are expected to receive an additional \$1.9 million that would have otherwise gone to schools and cities and towns.

 2-12-93  
DAVID LEWIS, BUDGET DIRECTOR      DATE  
Office of Budget and Program Planning

2-12-93  
JIM RICE, PRIMARY SPONSOR      DATE

Fiscal Note for HB0363, second reading

**HB363**

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 2-12-93  
DAVID LEWIS, BUDGET DIRECTOR      DATE  
Office of Budget and Program Planning

2-12-93  
JIM RICE, PRIMARY SPONSOR      DATE

Fiscal Note for HB0363, second reading

CORRECTED PRINTING

**HB363-#2**

APPROVED BY COMMITTEE  
ON TAXATION

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INTRODUCED BY House BILL NO. 363  
John Dechert

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8 AN IMMEDIATE EFFECTIVE DATE."

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15 NEW SECTION. **Section 2.** Effective date. [This act] is  
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