## SENATE BILL 416

## Introduced by Bruski-Maus, et al.

| 2/16 | Introduced                                |
|------|---|
| 2/16 | Referred to Highways & Transportation     |
| 2/16 | First Reading                             |
| 2/18 | Hearing                                   |
| 2/18 | Fiscal Note Requested                     |
| 2/20 | Committee ReportBill Passed               |
| 2/22 | 2nd Reading Passed                        |
| 2/23 | Fiscal Note Printed                       |
| 2/23 | 3rd Reading Passed                        |
|      | Transmitted to House                      |
| 2/23 | Fiscal Note Received (sic)                |
| 2/23 | Referred to Highways & Transportation     |
| 2/23 | First Reading                             |
| 3/05 | Hearing                                   |
| 3/17 | Tabled in Committee                       |
| 3/29 | Committee ReportBill Concurred as Amended |
| 3/30 | 2nd Reading Concur Motion Failed          |

| 1 |               | Senate BILL NO. | 416  |
|---|---------------|-----------------|------|
| 2 | INTRODUCED BY | Bruchi- Mane    | HARP |

BY REQUEST OF THE DEPARTMENT OF TRANSPORTATION

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING TAX PAYMENTS
TO THE DEPARTMENT OF TRANSPORTATION IN THE AMOUNT OF
\$200,000 OR GREATER TO BE MADE BY ELECTRONIC FUNDS TRANSFER;

AMENDING SECTION 15-1-801, MCA; AND PROVIDING AN EFFECTIVE

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#### STATEMENT OF INTENT

A statement of intent is required for this bill because [section 3] gives the department of transportation rulemaking authority to implement the administration of electronic funds transfer of taxes due the department. The department should consult with the department of revenue to benefit from its experience in electronic funds transfer and to make sure that the rules do not conflict with current practices.

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

NEW SECTION. Section 1. Definitions. As used in [sections 1 through 3], the following definitions apply:

(1) "Department" means the department of transportation provided for in 2-15-2501.



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- 1 (2) "Electronic funds transfer" means any transfer of
  2 funds, other than a transaction originated by check, draft,
  3 or similar paper instrument, that is initiated through an
  4 electronic terminal, telephonic instrument, or computer or
  5 magnetic tape so as to order, instruct, or authorize a
- 7 (3) "Taxes" means the taxes provided for in this 8 chapter.

financial institution to debit or credit an account.

- 9 NEW SECTION. Section 2. Taxes to be paid by electronic funds transfer -- limitation. All taxes due the department 10 must be paid by electronic funds transfer whenever the 11 12 amount due is \$200,000 or greater. Whenever the payment of 13 taxes is required to be made by electronic funds transfer 14 under this section and the due date falls on a Saturday, 15 Sunday, or legal holiday, the payment may be made on the 16 first business day after the due date.
- NEW SECTION. Section 3. Rules. The department shall adopt rules necessary to implement [sections 1 and 2], including but not limited to rules:
- 20 (1) coordinating the filing of tax returns with the
  21 payment of taxes by electronic funds transfer; and
- 22 (2) specifying the form and content of electronic funds 23 transfer messages in order to ensure the proper receipt and 24 crediting of the tax payment.
  - Section 4. Section 15-1-801, MCA, is amended to read:

SB 446

- 3 (1) "Department" means the department of revenue 4 provided for in 2-15-1301.

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- (2) "Electronic funds transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, or computer or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account.
- 11 (3) "Taxes" means the taxes provided for in this title.

  12 except the taxes in chapter 70 of this title."
- NEW SECTION. Section 5. Codification instruction.

  14 [Sections 1 through 3] are intended to be codified as an

  15 integral part of Title 15, chapter 70, and the provisions of

  16 Title 15, chapter 70, apply to (sections 1 through 3).
- NEW SECTION. Section 6. Effective date. [This act] is effective July 1, 1993.

-End-

# STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0416, as introduced.

#### DESCRIPTION OF PROPOSED LEGISLATION:

An act requiring tax payments to the Department of Transportation in the amount of \$200,000 or greater to be made by electronic funds transfer; and providing for an effective date.

#### ASSUMPTIONS:

- 1. Interest earned on funds in the highways special revenue account accrue to the general fund.
- 2. Accelerated deposit of funds in the highways special revenue account would provide additional funds for investment in the short term investment pool.

#### FISCAL IMPACT:

The proposed legislation would reduce the loss of interest revenues earned by the general fund by eliminating the "check float", which is the time that passes between when a check is received and when it clears the issuing bank. The amount of this interest revenue cannot be quantified at this time.

DAVID LEWIS, BUDGET DIRECTOR Office of Budget and Program Planning

Fiscal Note for SB0416, as introduced

# APPROVED BY COMMITTEE ON HIGHWAYS & TRANSPORTATION

| 1 | Senate BILL NO. 4/6                            |   |
|---|--|---|
| 2 | INTRODUCED BY Suchi- Thank HARP                | _ |
| 3 | BY REQUEST OF THE DEPARTMENT OF TRANSPORTATION |   |

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- 23 [sections 1 through 3], the following definitions apply:
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SB 416

- 1 "15-1-801. Definitions. As used in this part, the 2 following definitions apply:
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  4 provided for in 2-15-1301.
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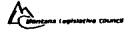
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  14 (Sections 1 through 3) are intended to be codified as an

  15 integral part of Title 15, chapter 70, and the provisions of

  16 Title 15, chapter 70, apply to [sections 1 through 3].
- NEW SECTION. Section 6. Effective date. [This act] is effective July 1, 1993.

-End-

### HOUSE STANDING COMMITTEE REPORT

March 29, 1993 Page 1 of 1

Mr. Speaker: We, the committee on <u>Highways and Transportation</u> report that <u>Senate Bill 416</u> (third reading copy -- blue) be concurred in as amended.

Signed: Robert C. Clark, Chair

## And, that such amendments read:

Carried by: Rep. Whalen

1. Title, line 7. Strike: "\$200,000" Insert: "\$500,000"

2. Page 2, line 12. Strike: "\$200,000" Insert: "\$500,000"

-END-