

SENATE BILL NO. 56

INTRODUCED BY

BY REQUEST OF THE DEPARTMENT OF REVENUE

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT SHORTENING THE EXTENSION OF TIME FOR FILING AN
6 INCOME TAX RETURN FROM 6 MONTHS TO 4 MONTHS; PROVIDING FOR AN ADDITIONAL 2-MONTH
7 EXTENSION UNDER CERTAIN CIRCUMSTANCES; AMENDING SECTION 15-30-144, MCA; AND
8 PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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

Section 1. Section 15-30-144, MCA, is amended to read:

13 "15-30-144. Time for filing -- extensions of time. (1) Returns shall must be made to the
14 department on or before the 15th day of the 4th month following the close of the taxpayer's fiscal year,
15 or if the return is made on the basis of the calendar year, then the return shall must be made on or before
16 the 15th day of April following the close of the calendar year. Each return shall must set forth such those
17 facts as that the department considers necessary for the proper enforcement of this chapter. There shall
18 must be annexed to such the return the affidavit or affirmation of the persons making the return to the
19 effect that the statements contained therein in the return are true. Blank forms of return shall must be
20 furnished by the department upon application, but failure to secure the form shall does not relieve any
21 taxpayer of the obligation to make any return required under this law. Every Each taxpayer liable for a tax
22 under this law shall pay a minimum tax of \$1.

(2) An automatic 6-month 4-month extension of time for filing a return is allowed, provided that:

24 (a) on or before the due date of the return, an application is made on forms available from the
25 department or in writing to the department; and

(b) the applicant has paid by estimated tax payments, withholding tax, or a combination of estimated tax payments and withholding tax 95 % of the current year's tax liability or 100 % of the previous year's tax liability.

29 (3) Before the expiration date of the automatic 4-month extension, an applicant may request in
30 writing an additional 2-month extension of time for filing a return. The department may, in its discretion,

1 grant the request upon a showing of good cause by the applicant, provided that the applicant has satisfied
2 the requirements of subsection (2)(b)."

3

4 **NEW SECTION. Section 2. Effective date -- retroactive applicability.** [This act] is effective on
5 passage and approval and applies retroactively, within the meaning of 1-2-109, to tax years beginning after
6 December 31, 1994.

7

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB56, Introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act shortening the extension of time for filing an income tax return from 6 months to 4 months; providing for an additional 2-month extension under certain circumstances; and providing an immediate effective date and a retroactive applicability date.

FISCAL IMPACT:

Expenditures:

The proposed legislation would require changes to the income tax system, which would result in minor increases in administrative expenses.

Revenues:

This bill has no impact on department revenues.

Dave Lewis 1-15-95
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Bruce Crippen 1/16/95
BRUCE CRIPPEN, PRIMARY SPONSOR DATE
Fiscal Note for SB56, Introduced
SB 56

1 SENATE BILL NO. 56

2 INTRODUCED BY CRIPPEN

3 BY REQUEST OF THE DEPARTMENT OF REVENUE

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT SHORTENING THE EXTENSION OF TIME FOR FILING AN
6 INCOME TAX RETURN FROM 6 MONTHS TO 4 MONTHS; CLARIFYING THE INFORMATION THAT MUST
7 BE CONTAINED IN A WRITTEN APPLICATION FOR EXTENSION; REDUCING THE AMOUNT OF THE
8 CURRENT YEAR TAX LIABILITY THAT MUST BE PAID WHEN APPLYING FOR AN EXTENSION; PROVIDING
9 FOR AN ADDITIONAL 2-MONTH EXTENSION UNDER CERTAIN CIRCUMSTANCES; AMENDING SECTION
10 15-30-144, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE
11 APPLICABILITY DATE."

12

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

14

15 Section 1. Section 15-30-144, MCA, is amended to read:

16 "15-30-144. Time for filing -- extensions of time. (1) Returns shall must be made to the
17 department on or before the 15th day of the 4th month following the close of the taxpayer's fiscal year,
18 or if the return is made on the basis of the calendar year, then the return shall must be made on or before
19 the 15th day of April following the close of the calendar year. Each return shall must set forth such those
20 facts as that the department considers necessary for the proper enforcement of this chapter. There shall
21 must be annexed to such the return the affidavit or affirmation of the persons making the return to the
22 effect that the statements contained therein in the return are true. Blank forms of return shall must be
23 furnished by the department upon application, but failure to secure the form shall does not relieve any
24 taxpayer of the obligation to make any return required under this law. Every Each taxpayer liable for a tax
25 under this law shall pay a minimum tax of \$1.26 (2) An automatic 6-month 4-month extension of time for filing a return is allowed, provided that:27 (a) on or before the due date of the return, an application is made on forms available from the
28 department or in writing to the department; and, IF THE APPLICATION IS MADE IN WRITING, IT MUST
29 INCLUDE SUBSTANTIALLY THE SAME INFORMATION AS IS REQUIRED ON THE DEPARTMENT'S FORMS.

30 (b) the applicant has paid by estimated tax payments, withholding tax, or a combination of

1 estimated tax payments and withholding tax ~~95%~~ 90% of the current year's tax liability or 100% of the
2 previous year's tax liability.

3 (3) Before the expiration date of the automatic 4-month extension, an applicant may request in
4 writing an additional 2-month extension of time for filing a return. The department may, in its discretion,
5 grant the request upon a showing of good cause by the applicant, provided that the applicant has satisfied
6 the requirements of subsection (2)(b)."

7

8 **NEW SECTION. Section 2. Effective date -- retroactive applicability.** [This act] is effective on
9 passage and approval and applies retroactively, within the meaning of 1-2-109, to tax ~~years beginning~~
10 RETURNS DUE after December 31, 1994.

11

-END-

•

1 SENATE BILL NO. 56
2 INTRODUCED BY CRIPPEN
3 BY REQUEST OF THE DEPARTMENT OF REVENUE
4
5 A BILL FOR AN ACT ENTITLED: "AN ACT SHORTENING THE EXTENSION OF TIME FOR FILING AN
6 INCOME TAX RETURN FROM 6 MONTHS TO 4 MONTHS; CLARIFYING THE INFORMATION THAT MUST
7 BE CONTAINED IN A WRITTEN APPLICATION FOR EXTENSION; REDUCING THE AMOUNT OF THE
8 CURRENT YEAR TAX LIABILITY THAT MUST BE PAID WHEN APPLYING FOR AN EXTENSION; PROVIDING
9 FOR AN ADDITIONAL 2 MONTH EXTENSION UNDER CERTAIN CIRCUMSTANCES; AMENDING SECTION
10 15-30-144, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE
11 APPLICABILITY DATE."

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

15 **Section 1.** Section 15-30-144, MCA, is amended to read:

"15-30-144. Time for filing -- extensions of time. (1) Returns shall must be made to the department on or before the 15th day of the 4th month following the close of the taxpayer's fiscal year, or if the return is made on the basis of the calendar year, then the return shall must be made on or before the 15th day of April following the close of the calendar year. Each return shall must set forth such those facts as that the department considers necessary for the proper enforcement of this chapter. There shall must be annexed to such the return the affidavit or affirmation of the persons making the return to the effect that the statements contained therein in the return are true. Blank forms of return shall must be furnished by the department upon application, but failure to secure the form shall does not relieve any taxpayer of the obligation to make any return required under this law. Every Each taxpayer liable for a tax under this law shall pay a minimum tax of \$1.

26 (2) An automatic ~~6-month~~ ~~4-month~~ ~~6-MONTH~~ extension of time for filing a return is allowed,
27 provided that:

28 (a) on or before the due date of the return, an application is made on forms available from the
29 department or in writing to the department; and IF THE APPLICATION IS MADE IN WRITING, IT MUST
30 INCLUDE SUBSTANTIALLY THE SAME INFORMATION AS IS REQUIRED ON THE DEPARTMENT'S FORMS.

1 AND

2 (b) the applicant has paid by estimated tax payments, withholding tax, or a combination of
3 estimated tax payments and withholding tax ~~95%~~ 90% of the current year's tax liability or 100% of the
4 previous year's tax liability.

5 (3) Before the expiration date of the automatic 4-month extension, an applicant may request in
6 writing an additional 2-month extension of time for filing a return. The department may, in its discretion,
7 grant the request upon a showing of good cause by the applicant, provided that the applicant has satisfied
8 the requirements of subsection (2)(b)."

9

10 **NEW SECTION. Section 2. Effective date -- retroactive applicability.** [This act] is effective on
11 passage and approval and applies retroactively, within the meaning of 1-2-109, to tax ~~years~~ beginning
12 ~~RETURNS DUE~~ after December 31, 1994.

13

-END-

SENATE BILL NO. 56
INTRODUCED BY CRIPPEN
BY REQUEST OF THE DEPARTMENT OF REVENUE

5 A BILL FOR AN ACT ENTITLED: "AN ACT SHORTENING THE EXTENSION OF TIME FOR FILING AN
6 INCOME TAX RETURN FROM 6 MONTHS TO 4 MONTHS; CLARIFYING THE INFORMATION THAT MUST
7 BE CONTAINED IN A WRITTEN APPLICATION FOR EXTENSION; REDUCING THE AMOUNT OF THE
8 CURRENT YEAR TAX LIABILITY THAT MUST BE PAID WHEN APPLYING FOR AN EXTENSION; PROVIDING
9 FOR AN ADDITIONAL 2 MONTH EXTENSION UNDER CERTAIN CIRCUMSTANCES; AMENDING SECTION
10 15-30-144, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE
11 APPLICABILITY DATE."

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

15 Section 1. Section 15-30-144, MCA, is amended to read:

16 "15-30-144. Time for filing -- extensions of time. (1) Returns shall must be made to the
17 department on or before the 15th day of the 4th month following the close of the taxpayer's fiscal year,
18 or if the return is made on the basis of the calendar year, then the return shall must be made on or before
19 the 15th day of April following the close of the calendar year. Each return shall must set forth such those
20 facts as that the department considers necessary for the proper enforcement of this chapter. There shall
21 must be annexed to such the return the affidavit or affirmation of the persons making the return to the
22 effect that the statements contained therein in the return are true. Blank forms of return shall must be
23 furnished by the department upon application, but failure to secure the form shall does not relieve any
24 taxpayer of the obligation to make any return required under this law. Every Each taxpayer liable for a tax
25 under this law shall pay a minimum tax of \$1.

26 (2) An automatic 6-month 4-month **6-MONTH** extension of time for filing a return is allowed,
27 provided that:

28 (a) on or before the due date of the return, an application is made on forms available from the
29 department or in writing to the department; and, IF THE APPLICATION IS MADE IN WRITING, IT MUST
30 INCLUDE SUBSTANTIALLY THE SAME INFORMATION AS IS REQUIRED ON THE DEPARTMENT'S FORMS.



1 AND

2 (b) the applicant has paid by estimated tax payments, withholding tax, or a combination of
3 estimated tax payments and withholding tax 95% 90% of the current year's tax liability or 100% of the
4 previous year's tax liability.

5 (3) Before the expiration date of the automatic 4 month extension, an applicant may request in
6 writing an additional 2 month extension of time for filing a return. The department may, in its discretion,
7 grant the request upon a showing of good cause by the applicant, provided that the applicant has satisfied
8 the requirements of subsection (2)(b)."

9

10 **NEW SECTION. Section 2. Effective date -- retroactive applicability.** [This act] is effective on
11 passage and approval and applies retroactively, within the meaning of 1-2-109, to tax ~~years beginning~~
12 **RETURNS DUE** after December 31, 1994.

13

-END-



HOUSE STANDING COMMITTEE REPORT

March 2, 1995

Page 1 of 2

Mr. Speaker: We, the committee on Taxation report that **Senate Bill 56** (third reading copy -- blue) be concurred in as amended.

Signed: 
Chase Hibbard
Chase Hibbard, Chair

And, that such amendments read:

Carried by: Rep. Elliott

1. Title, line 5.

Following: the second "ACT"

Insert: "SHORTENING THE EXTENSION OF TIME FOR FILING AN INCOME TAX RETURN FROM 6 MONTHS TO 4 MONTHS; CLARIFYING THE INFORMATION THAT MUST BE CONTAINED IN A WRITTEN APPLICATION FOR EXTENSION;"

2. Title, line 9.

Following: "CIRCUMSTANCES;"

Insert: "PROVIDING FOR AN ADDITIONAL 2-MONTH EXTENSION UNDER CERTAIN CIRCUMSTANCES;"

3. Page 1, line 26.

Strike: "6-MONTH"

Insert: "4-month"

4. Page 1, line 30 through page 2, line 1.

Following: "FORMS" on page 1, line 30

Strike: "; AND"

Insert: ". If the application is made in writing, it must include substantially the same information as is required on the department's forms."

Committee Vote:

Yes 20, No 0.

SB56
HOUSE
491201SC.Hdh

March 2, 1995
Page 2 of 2

5. Page 2.

Following: line 8

Insert: "(3) Before the expiration date of the automatic 4-month extension, an applicant may request in writing an additional 2-month extension of time for filing a return. The department may, in its discretion, grant the request upon a showing of good cause by the applicant, provided that the applicant has satisfied the requirements of subsection (2) (b)."

-END-

Conference Committee
on SB 56
Report No.1, April 7, 1995

Page 1 of 1

Mr. President and Mr. Speaker:

We, your Conference Committee on SB 56, met and considered:

House Taxation Committee amendments dated
March 22, 1995.

We recommend that the amendments to SB 56 (reference copy - salmon) considered above be acceeded to by the Senate.

And that this Conference Committee report be adopted.

For the Senate:

Crippen
Chair

Beck

Stang

DS
Amd. Coord.

SDA
Sec. of Senate

For the House:

Nelson
Chair

Arnott

Winnemac HS

ADOPT

REJECT

SB 56
CCR#1

801210CC.SRF

1 SENATE BILL NO. 56
2 INTRODUCED BY CRIPPEN
3 BY REQUEST OF THE DEPARTMENT OF REVENUE
4
5 A BILL FOR AN ACT ENTITLED: "AN ACT SHORTENING THE EXTENSION OF TIME FOR FILING AN
6 INCOME TAX RETURN FROM 6 MONTHS TO 4 MONTHS; CLARIFYING THE INFORMATION THAT MUST
7 BE CONTAINED IN A WRITTEN APPLICATION FOR EXTENSION; SHORTENING THE EXTENSION OF TIME
8 FOR FILING AN INCOME TAX RETURN FROM 6 MONTHS TO 4 MONTHS; CLARIFYING THE INFORMATION
9 THAT MUST BE CONTAINED IN A WRITTEN APPLICATION FOR EXTENSION; REDUCING THE AMOUNT
10 OF THE CURRENT YEAR TAX LIABILITY THAT MUST BE PAID WHEN APPLYING FOR AN EXTENSION;
11 PROVIDING FOR AN ADDITIONAL 2-MONTH EXTENSION UNDER CERTAIN CIRCUMSTANCES; PROVIDING
12 FOR AN ADDITIONAL 2-MONTH EXTENSION UNDER CERTAIN CIRCUMSTANCES; AMENDING SECTION
13 15-30-144, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE
14 APPLICABILITY DATE."

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

18 Section 1. Section 15-30-144, MCA, is amended to read:

"15-30-144. Time for filing -- extensions of time. (1) Returns shall must be made to the department on or before the 15th day of the 4th month following the close of the taxpayer's fiscal year, or if the return is made on the basis of the calendar year, then the return shall must be made on or before the 15th day of April following the close of the calendar year. Each return shall must set forth such those facts as that the department considers necessary for the proper enforcement of this chapter. There shall must be annexed to such the return the affidavit or affirmation of the persons making the return to the effect that the statements contained therein in the return are true. Blank forms of return shall must be furnished by the department upon application, but failure to secure the form shall does not relieve any taxpayer of the obligation to make any return required under this law. Every Each taxpayer liable for a tax under this law shall pay a minimum tax of \$1.

29 (2) An automatic ~~6-month~~ ~~4-month~~ ~~6-MONTH~~ ~~4-MONTH~~ extension of time for filing a return is
30 allowed, provided that:

(a) on or before the due date of the return, an application is made on forms available from the department or in writing to the department; and, IF THE APPLICATION IS MADE IN WRITING, IT MUST INCLUDE SUBSTANTIALLY THE SAME INFORMATION AS IS REQUIRED ON THE DEPARTMENT'S FORMS; AND, IF THE APPLICATION IS MADE IN WRITING, IT MUST INCLUDE SUBSTANTIALLY THE SAME INFORMATION AS IS REQUIRED ON THE DEPARTMENT'S FORMS.

(b) the applicant has paid by estimated tax payments, withholding tax, or a combination of estimated tax payments and withholding tax ~~85%~~ 90% of the current year's tax liability or 100% of the previous year's tax liability.

(3) Before the expiration date of the automatic 4 month extension, an applicant may request in writing an additional 2 month extension of time for filing a return. The department may, in its discretion, grant the request upon a showing of good cause by the applicant, provided that the applicant has satisfied the requirements of subsection (2)(b).

(3) BEFORE THE EXPIRATION DATE OF THE AUTOMATIC 4-MONTH EXTENSION, AN APPLICANT MAY REQUEST IN WRITING AN ADDITIONAL 2-MONTH EXTENSION OF TIME FOR FILING A RETURN. THE DEPARTMENT MAY, IN ITS DISCRETION, GRANT THE REQUEST UPON A SHOWING OF GOOD CAUSE BY THE APPLICANT, PROVIDED THAT THE APPLICANT HAS SATISFIED THE REQUIREMENTS OF SUBSECTION (2)(B). "

NEW SECTION. **Section 2. Effective date -- retroactive applicability.** [This act] is effective on passage and approval and applies retroactively, within the meaning of 1-2-109, to tax ~~years beginning~~ RETURNS DUE after December 31, 1994.

-END-

