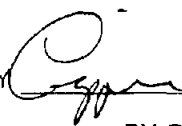


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SENATE BILL NO. 56

INTRODUCED BY



BY REQUEST OF THE DEPARTMENT OF REVENUE

A BILL FOR AN ACT ENTITLED: "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; AMENDING SECTION 15-30-144, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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

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.

(2) An automatic ~~6-month~~ 4-month extension of time for filing a return is 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

(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.

(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,



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.

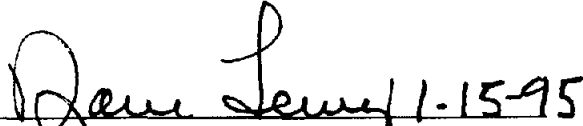
FISCAL IMPACT:

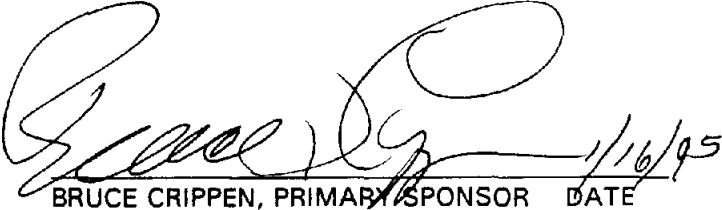
Expenditures:

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, BUDGET DIRECTOR DATE
Office of Budget and Program Planning


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."

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17 department on or before the 15th day of the 4th month following the close of the taxpayer's fiscal year,
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20 facts ~~as~~ that the department considers necessary for the proper enforcement of this chapter. There ~~shall~~
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22 effect that the statements contained ~~therein~~ in the return are true. Blank forms of return ~~shall~~ must be
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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

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25 under this law shall pay a minimum tax of \$1.

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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~~
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12 RETURNS DUE after December 31, 1994.

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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: _____

A handwritten signature in cursive script, appearing to read "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

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 acceded to by the Senate.

And that this Conference Committee report be adopted.

For the Senate:

Crippen
Chair

Beck

Stang

Amd. Coord.

Sec. of Senate

For the House:

Nelson
Chair

Arnott

Winnemar

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
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 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
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 12 ~~the requirements of subsection (2)(b).~~

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

18
 19 NEW SECTION. Section 2. Effective date -- retroactive applicability. [This act] is effective on
 20 passage and approval and applies retroactively, within the meaning of 1-2-109, to tax ~~years beginning~~
 21 RETURNS DUE after December 31, 1994.

22 -END-