

MINUTES

MONTANA SENATE 60th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN JIM ELLIOTT**, on March 6, 2007 at 9:00 A.M., in Room 405 Capitol.

ROLL CALL

Members Present:

Sen. Jim Elliott, Chairman (D)
Sen. Jerry W. Black (R)
Sen. Jeff Essmann (R)
Sen. Kelly Gebhardt (R)
Sen. Dan Harrington (D)
Sen. Christine Kaufmann (D)
Sen. Sam Kitzenberg (D)
Sen. Jim Peterson (R)
Sen. Trudi Schmidt (D)
Sen. Bob Story Jr. (R)

Members Excused: Sen. Kim Gillan (D)

Members Absent: None.

Staff Present: Lee Heiman, Legislative Branch
Lois O'Connor, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: SB 515, 2/26/2007; SB 494,
2/26/2007; SB 472, 2/26/2007; SB
464, 2/26/2007
Executive Action: None.

00:01:45

HEARING ON SB 515

Opening Statement by Sponsor:

00:02:59 SEN. JOE BALLYEAT (R), SD 34, opened the hearing on SB 515, Contingent reduction of income tax rates based upon surplus revenue.

[EXHIBIT\(tas47a01\)](#)

[EXHIBIT\(tas47a02\)](#)

[EXHIBIT\(tas47a03\)](#)

Proponents' Testimony:

00:10:33 Webb Brown, Montana Chamber of Commerce

00:11:12 Susan Gianforte

Opponents' Testimony: None.

Informational Testimony: None.

Questions from Committee Members and Responses:

00:12:57 Sen. Trudi Schmidt to Ms. Gianforte

00:13:48 Sen. Robert Story to Sen. Ballyeat

00:16:05 Sen. Jim Elliott

Closing by Sponsor:

00:16:25 Sen. Ballyeat

HEARING ON SB 494

Opening Statement by Sponsor:

00:19:02 SEN. GARY PERRY (R), SD 35, opened the hearing on SB 494, Special capital gains tax rate on employee-owned Montana stock.

[EXHIBIT\(tas47a04\)](#)

Proponents' Testimony:

00:24:46 Greg Gianforte, RightNow Technologies
00:32:46 Dan Rice, Printing For Less
00:34:25 Gary Bloomer, TechRanch
00:37:26 Tim Tripp, Simm's Fishing Products
00:39:00 Eric Schmidt, General Counsel, Zoot Enterprises

EXHIBIT (tas47a05)

00:41:01 Jack Manning, Attorney, Dorsey & Whitney
00:47:17 Joe Mazurek, D.A. Davidson Company
00:48:33 Webb Brown, Montana Chamber of Commerce

Opponents' Testimony:

00:48:57 Holly Franz, Montana Society of Certified Public
Accounts (MSCPAs)

Informational Testimony:

00:49:41 Ed Caplis, Montana Department of Revenue (DOR)
00:49:53 Dan Dodds, Montana Department of Revenue (DOR)

Questions from Committee Members and Responses:

00:50:08 Sen. Schmidt to Sen. Perry rereferred to Mr. Gianforte,
RightNow Technologies
00:52:20 Sen. Christine Kaufmann to Mr. Dodds, DOR
00:53:00 Sen. Story to Mr. Manning, Dorsey & Whitney
00:55:53 Sen. Story to Mr. Gianforte, RightNow Technologies
00:57:04 Sen. Elliott to Mr. Dodds, DOR
00:58:54 Sen. Elliott to Mr. Gianforte, RightNow Technologies,
rereferred to Mr. Manning, Dorsey & Whitney
01:01:25 Sen. Elliott to Mr. Gianforte, RightNow Technologies
01:03:29 Sen. Elliott to Mr. Rice, Printing For Less

01:05:01 Sen. Story to Mr. Dodds, DOR

01:05:47 Sen. Story to Sen. Perry

01:07:22 Sen. Schmidt to Sen. Perry

01:07:52 Sen. Elliott to Mr. Gianforte, RightNow Technologies

01:09:36 Sen. Story to Mr. Manning, Dorsey & Whitney

Closing by Sponsor:

01:10:28 Sen. Perry

HEARING ON SB 464

Opening Statement by Sponsor:

01:13:21 **SEN. DAN WEINBERG (D), SD 2**, opened the hearing on **SB 464**, Property tax relief - local option realty transfer tax.

Proponents' Testimony:

01:19:44 Andy Feury, Mayor, Whitefish

01:32:40 Cris Coughlin, City of Whitefish

01:36:31 Alec Hansen, Montana League of Cities and Towns (MLCT)

EXHIBIT (tas47a06)

Opponents' Testimony:

01:40:01 Joe Roberts, Montana Association of Realtors (MAR)

01:50:40 Steve Pilcher, Montana Stockgrowers Association (MSA)

01:53:09 John Youngberg, Montana Farm Bureau (MFB)

01:55:49 John Semple, Montana Graingrowers Association (MGA)

01:56:24 Mary Wittinghill, Montana Taxpayers Association
(MonTax)

01:58:34 Roger Halver, Montana Landlords Association (MLA)

02:00:22 Pat Torgerson, Women Involved in Farm Economics (WIFE)

Informational Testimony:

02:02:04 Randy Wilke, Montana Department of Revenue (DOR)

Questions from Committee Members and Responses:

02:02:36 Sen. Kelly Gebhardt to Sen. Weinberg rereferred to Mr. Feury, Mayor, Whitefish

02:12:52 Sen. Jeff Essmann to Sen. Weinberg

02:14:14 Sen. Essmann to Mr. Feury, Mayor, Whitefish

02:19:40 Sen. Essmann to Mr. Hansen, MLCT

02:22:26 Sen. Jerry Black to Sen. Weinberg

02:26:25 Sen. Black to Mr. Youngberg, MFB

02:27:33 Sen. Story to Mr. Feury, Mayor, Whitefish

02:30:09 Sen. Story to Sen. Weinberg

02:31:00 Sen. Elliott to Mr. Youngberg, MFB

02:31:42 Sen. Elliott to Mr. Roberts, MAR

02:34:30 Sen. Schmidt to Sen. Weinberg

02:35:45 Sen. Elliott

Closing by Sponsor:

02:35:59 Sen. Weinberg

Discussion:

02:43:40 Sen. Elliott

HEARING ON SB 472

Opening Statement by Sponsor:

02:44:10 **SEN. TRUDI SCHMIDT, SD 12, for SEN. KIM GILLAN (D), SD 24,** opened the hearing on **SB 472**, Increase tax credit for disability insurance to small business employees.

Proponents' Testimony:

02:45:10 Sen. Jeff Essmann, SD 28

02:46:26 Kurt Kubicka, Montana Medical Association (MMA)

EXHIBIT (tas47a07)

02:51:04 Tanya Ask, Montana Blue Cross and Blue Shield (MTBCBS)

EXHIBIT (tas47a08)

02:55:59 Riley Johnson, National Federation of Independent
Business (NFIB)

02:58:14 Don Allen, Montana Insurance and Financial Advisors
(MIFA)

02:59:26 Frank Cote, Americas Health Insurance Plans (AHIP)

03:00:47 Jason Todhunter, Montana Logging Association

Opponents' Testimony: None.

Informational Testimony:

03:01:20 Barbara Wagner, Montana Department of Revenue (DOR)

Questions from Committee Members and Responses: None.

Closing by Sponsor:

03:01:59 Sen. Schmidt closed for Sen. Gillan

ADJOURNMENT

Adjournment: 12:05 A.M.

SEN. JIM ELLIOTT, Chairman

LOIS O'CONNOR, Secretary

JE/lo

Additional Exhibits:

EXHIBIT ([tas47aad.pdf](#))