

MINUTES

MONTANA SENATE 60th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN JIM ELLIOTT**, on April 10, 2007 at 7:00 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. Kim Gillan (D)
Sen. Dan Harrington (D)
Sen. Christine Kaufmann (D)
Sen. Sam Kitzenberg (D)
Sen. Jim Peterson (R)
Sen. Bob Story Jr. (R)

Members Excused: Sen. Trudi Schmidt (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: HB 529, 4/5/2007; HB 345, 4/5/2007;
HB 564, 4/5/2007
Executive Action: HB 822, HB 843, HB 257

00:06:31

HEARING ON HB 529

Opening Statement by Sponsor:

00:07:14 **REP. BOB LAKE (R), HD 88**, opened the hearing on **HB 529**,
Increase business equipment tax exemption and reduce
tax rate.

Proponents' Testimony:

00:14:13 Webb Brown, Montana Chamber of Commerce

EXHIBIT (tas75a01)

EXHIBIT (tas75a02)

EXHIBIT (tas75a03)

00:22:45 Ron Pike, Sime Construction, Bozeman

00:24:08 Dick King, CEO, Missoula Area Economic Development
Corporation (MAEDC)

00:26:14 Kevin Smith, Family Logging Business

00:28:22 Jason Todhunter, Montana Logging Association (MLA)

00:29:10 John Youngberg, Montana Farm Bureau (MFB)

00:30:14 John Semple, Montana Grain Growers Association (MGGA)

00:30:40 Steve Pilcher, Montana Stockgrowers Association (MSA)

00:31:48 Ellen Engstedt, Montana Wood Products Association
(MWPA)

00:32:16 Cary Hegreberg, Montana Contractors Association (MCA)

00:34:20 Riley Johnson, National Federation of Independent
Businesses (NFIB)

00:34:52 Dennis Lopach, REC Silicon

00:36:16 Mary Wittinghill, Montana Taxpayers Association
(MonTax)

00:38:35 Gary Amestoy, Richland County Development Corporation

00:39:01 Ronda Wiggers, Great Falls and Helena Chambers of
Commerce

00:39:40 Bob Gilbert, Montana Tow Trucks Association

00:40:07 Margaret Morgan, Montana Independent Electrical
Contractors

00:40:56 Carl Schweitzer, Bozeman and Kalispell Chambers of
Commerce

00:41:36 Stuart Doggett, Montana Innkeepers Association

00:41:51 Barry "Spook" Stang, Executive Vice President, Montana
Motorcarriers Association

Opponents' Testimony:

00:42:51 Evan Barrett, Office of the Honorable Governor Brian
Schweitzer (Governor's Office)

00:49:45 Dan Bucks, Director, Montana Department of Revenue
(DOR)

00:59:24 Alec Hansen, Montana League of Cities and Towns (MLCT)

Informational Testimony:

01:02:40 Harold Blattie, Executive Director, Montana Association
of Counties (MACo)

Questions from Committee Members and Responses:

01:07:42 Sen. Robert Story to Mr. Blattie, MACo

01:09:50 Sen. Dan Harrington to Mr. Blattie, MACo

01:12:58 Sen. Jim Elliott to Mr. Blattie, MACo

01:15:28 Sen. Elliott to Ms. Wittinghill, MonTax

01:20:35 Sen. Elliott to Mr. Schweitzer, Bozeman and Kalispell
Chambers of Commerce

01:22:37 Sen. Kelly Gebhardt to Mr. Hansen, MLCT

01:23:25 Sen. Story to Director Bucks, DOR

01:25:36 Sen. Story to Ed Caplis, Montana Department of Revenue
(DOR)

01:28:41 Sen. Story to Mr. Hansen, MLCT

01:30:35 Sen. Story to Mr. Caplis, DOR

01:32:48 Sen. Elliott to Director Bucks, DOR

01:36:19 Sen. Story to Director Bucks, DOR

01:39:33 Sen. Elliott to Mr. Brown, Montana Chamber of Commerce

Closing by Sponsor:

01:40:48 Rep. Lake

EXHIBIT(tas75a04)

HEARING ON HB 345

Opening Statement by Sponsor:

01:46:33 **REP. MICHAEL LANGE (R), HD 55**, opened the hearing on **HB 345**, Renters tax credit.

Proponents' Testimony:

01:48:25 Denver Henderson, Associate Students of the University of Montana-Missoula (ASUM)

01:50:34 Jessica LaRouche, Associated Students of Montana State University-Bozeman (ASMUS)

01:51:15 William McCauland

01:52:33 Scott Martin, Associated Students of Montana State University-Billings, MSU-Great Falls, and MSU-Northern

Opponents' Testimony: None.

Informational Testimony:

01:54:09 Brian Olsen, Montana Department of Revenue (DOR)

Questions from Committee Members and Responses:

01:54:27 Sen. Story to Rep. Lange

01:55:45 Sen. Story to Mr. Olsen, DOR

01:58:13 Sen. Kim Gillan to Rep. Lange rereferred to Mr. Henderson, ASUM

02:00:15 Sen. Story to Mr. Olsen, DOR

02:01:05 Sen. Elliott to Rep. Lange

02:03:09 Sen. Gillan to Mr. Olsen, DOR

Closing by Sponsor:

02:04:17 Rep. Lange

HEARING ON HB 564

Opening Statement by Sponsor:

02:05:28 **REP. TOM MCGILLVRAY (R), HD 50**, opened the hearing on **HB 564**, Revise and reduce income taxes.

[EXHIBIT](#)(tas75a05)

Proponents' Testimony:

02:17:02 Mike Fellows, Montana Libertarian Party

02:17:53 Mary Wittinghill, Montana Taxpayers Association (MonTax)

Opponents' Testimony: None.

Informational Testimony:

02:19:15 Brian Olsen, Montana Department of Revenue (DOR)

Questions from Committee Members and Responses:

02:19:37 Sen. Story to Rep. McGillvray rereferred to Dan Dodds, Montana Department of Revenue (DOR)

Closing by Sponsor:

02:21:31 Rep. McGillvray

EXECUTIVE ACTION ON HB 822

Discussion:

02:44:33 Lee Heiman, Staff Attorney, Legislative Services
Division (LSD)

02:45:09 **Motion:** SEN. KAUFMANN moved that HB 822 BE CONCURRED
IN.

02:45:11 **Motion:** SEN. KAUFMANN moved to amend HB 822 with a
CONCEPTUAL AMENDMENT.

Discussion:

02:45:28 Sen. Gillan to Mr. Heiman, LSD

02:46:01 Sen. Essmann

02:46:49 **Vote:** Motion that the CONCEPTUAL AMENDMENT be approved
carried unanimously by voice vote.

02:46:59 **Motion:** SEN. KAUFMANN moved that HB 822 BE CONCURRED
IN AS AMENDED.

Discussion:

02:47:14 Sen. Essmann

02:48:10 **Vote:** Motion that HB 822 BE CONCURRED IN AS AMENDED
failed 5-5 by roll call vote with SEN. ELLIOTT, SEN.
ESSMANN, SEN. GEBHARDT, SEN. PETERSON, and SEN. STORY
voting no. SEN. SCHMIDT voted aye by proxy. SEN. BLACK
was excused. This vote will be left open for a period
of 24 hours for the purpose of a vote from SEN. BLACK.

EXECUTIVE ACTION ON HB 843

02:50:40 **Motion/Vote:** SEN. HARRINGTON moved that HB 843 BE
TABLED. Motion carried 8-2 by voice vote. SEN. BLACK
and SEN. GEBHARDT voted no by proxy. SEN. KITZENBERG
was excused.

EXECUTIVE ACTION ON HB 257

02:52:17 **Motion:** SEN. STORY moved that HB 257 BE CONCURRED IN.

Discussion:

02:53:08 Mr. Heiman, LSD

02:54:21 **Motion:** SEN. GILLAN moved to amend HB 257 with amendment #HB025702.ALH.

EXHIBIT(tas75a06)

02:54:33 Sen. Story to Holly Franz, Montana Society of Certified Public Accountants (MSCPA)

02:55:26 **Vote:** Motion that amendment #HB025702.ALH BE APPROVED carried unanimously by voice vote.

02:56:15 Sen. Elliott to Mr. Heiman, LSD

EXHIBIT(tas75a07)

02:56:39 **Motion:** SEN. STORY moved that HB 257 BE CONCURRED IN AS AMENDED.

Discussion:

02:56:47 Sen. Harrington

02:57:22 Sen. Story

02:57:59 Sen. Elliott to Director Bucks, DOR

02:59:32 Sen. Story

03:00:17 Sen. Essmann

03:00:55 Sen. Elliott

03:01:30 Sen. Kitzenberg to Sen. Elliott rereferred to Director Bucks, DOR

03:02:47 **Vote:** Motion that HB 257 BE CONCURRED IN AS AMENDED carried 6-5 by roll call vote with SEN. ELLIOTT, SEN. GILLAN, SEN. HARRINGTON, and SEN. KAUFMANN voting no. SEN. SCHMIDT voted no by proxy. SEN. BLACK and SEN. GEBHARDT voted aye by proxy.

ADJOURNMENT

Adjournment: 10:06 A.M.

SEN. JIM ELLIOTT, Chairman

LOIS O'CONNOR, Secretary

JE/lo

Additional Exhibits:

EXHIBIT ([tas75aad.pdf](#))