

MINUTES
MONTANA SENATE
68th LEGISLATURE - REGULAR SESSION
COMMITTEE ON (S) TAXATION

Call to Order: Chair Sen. Greg Hertz-R, on January 17, 2023 at 8:00 AM, in 405

ROLL CALL

Members Present: Sen. Greg Hertz, Chair (R)
Sen. Shannon O'Brien, Vice Chair (D)
Sen. Daniel Zolnikov, Vice Chair (R)
Sen. Becky Beard (R)
Sen. Mary Ann Dunwell (D)
Sen. Denise Hayman (D)
Sen. Wendy McKamey (R)
Sen. Brad Molnar (R)
Sen. Russel (Russ) Tempel (R)
Sen. Jeremy Trebas (R)

Members Excused: Sen. Jason Ellsworth (R)
Sen. Edith (Edie) McClafferty (D)

Staff Present: Jaret Coles, Research Analyst
Lorna Mason, 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 110 01/11/2023
SB 119 01/11/2023
SB 121 01/11/2023
SB 124 01/15/2023

Executive Action:

SB 16 DO PASS
SB 24 DO PASS AS AMENDED
SB 54 DO PASS AS AMENDED
SB 64 DO PASS
SB 81 DO PASS

HEARING ON SB 110 - Provide property tax assistance to elderly homeowners by fixing appraised value

Opening Statement:

08:02:11 Sen. Keith Regier (R), SD 3, opened the hearing on SB 110, Provide property tax assistance to elderly homeowners by fixing appraised value.

Proponent Testimony:

08:11:24 Sean Conroe, Ability Montana Center for Independent Living

08:12:05 Joe Briggs, Montana Association of Counties (MACo)

08:13:42 Darryl James, Montana Infrastructure Coalition

Opponent Testimony:

08:14:53 Rose Bender, Montana Budget and Policy Center (MBPC)

Informational Witness Testimony:

08:16:15 Bryce Kaatz, Department of Revenue (DOR)

Questions from Committee:

08:16:39 Sen. Edith (Edie) McClafferty

08:16:42 Sen. Keith Regier-R

08:17:41 Sen. Mary Ann Dunwell

08:17:50 Rose Bender, MBPC

08:20:07 Bryce Kaatz, DOR

08:21:10 Sen. Keith Regier-R

08:21:40 Jaret Coles

08:22:11 Sen. Denise Hayman

08:22:22 Sen. Keith Regier-R

08:23:08 Sen. Brad Molnar

08:24:44 Sponsor

Closing Statement:

08:26:48 Sen. Keith Regier (R), SD 3, closed the hearing on SB 110.

HEARING ON SB 121 - Reduce top marginal income tax rate and increase EITC

Opening Statement:

08:27:54 Sen. Becky Beard (R), SD 40, opened the hearing on SB 121, Reduce top marginal income tax rate and increase EITC.

Proponent Testimony:

08:28:58 Ryan Osmundson, Budget Director, Governor's Office

08:31:22 Bob Story, Montana Taxpayers Association

08:33:11 Rebecca Meyers, Billings Chamber of Commerce, Montana Economic Developers Association

08:34:44 Charles Robison, Montana Chamber of Commerce (MCOC)

08:35:13 Duane Williams, Montana Trucking Association

08:35:53 Jason Todhunter, Montana Logging Association

08:36:19 Nicole Rolf, Montana Farm Bureau Federation

Opponent Testimony:

08:37:46 Rose Bender, Montana Budget and Policy Center (MBPC)

08:42:21 Erik Burke, Montana Federation of Public Employees (MFPE)

08:43:53 Margaret MacDonald, Big Sky 55 Plus

08:46:38 Tirza Asbell, Montana Women Vote

08:48:09 Shawn Reagor, Montana Human Rights Network

08:49:22 Jacquie Helt, Montana State Director Healthcare Workers Union

Informational Witness Testimony:

08:51:09 Aaron McNay, Department of Revenue (DOR)

Questions from Committee:

08:51:38 Sen. Shannon O'Brien
08:52:33 Sen. Becky Beard-R
08:54:34 Brendan Beatty Department of Revenue
08:56:13 Sen. Becky Beard-R
08:58:06 Sen. Mary Ann Dunwell
08:59:05 Rose Bender, MBPC
08:59:42 Erik Burke, MFPE
09:01:39 Sen. Daniel Zolnikov
09:01:42 Rose Bender, MBPC
09:02:12 Ryan Osmundson, Budget Director
09:04:56 Sen. Greg Hertz
09:05:03 Sen. Denise Hayman
09:05:21 Aaron McNay, DOR
09:09:27 Sen. Jeremy Trebas
09:10:05 Aaron McNay, DOR
09:11:03 Sen. Mary Ann Dunwell
09:11:45 Rose Bender, MBPC
09:14:31 Ryan Osmundson, Budget Director
09:16:47 Sen. Jeremy Trebas
09:17:34 Rose Bender, MBPC
09:18:28 Sen. Greg Hertz
09:18:32 Erik Burke, MFPE

09:20:14 Aaron McNay, DOR
09:22:03 Ryan Osmundson, Budget Director
09:44:01 Rose Bender, MFPE

Closing Statement:

09:24:23 Sen. Becky Beard (R), SD 40, closed the hearing on SB 121.
09:27:22 Recessed
09:35:06 Reconvened

HEARING ON SB 124 - Revise corporate income tax apportionment

Opening Statement:

09:34:49 Sen. Greg Hertz (R), SD 12, opened the hearing on SB 124, Revise corporate income tax apportionment.

Proponent Testimony:

09:45:45 Brendan Beatty, Department of Revenue (DOR)
[EXHIBIT\(230117TASa1\)](#)
09:53:22 Derrick Bell, Department of Revenue (DOR)
[EXHIBIT\(230117TASa2\)](#)
09:56:07 Charles Robison, Montana Chamber of Commerce
09:57:06 Bob Story, Montana Taxpayers Association
[EXHIBIT\(230117TASa3\)](#)
09:58:30 Allen Lloyd, Montana Director of CPA's
09:58:45 Steve Wade, BNSF Railway
09:59:36 Geoff Feiss, Broadband Montana
10:00:06 Erik Burke, Montana Federation of Public Employees
10:00:31 Chris Puyear, Northwestern Energy
10:01:02 Brian Aegerter, General Manager of Applied Materials

Opponent Testimony:

10:03:50 Allen Olson, Montana Petroleum Association
10:04:33 Bridger Mahlum, Charter Communications, Verizon
10:05:33 Mark Baker, Denbury Oil Producer
10:08:00 Jessie Luther, Anheuser-Busch
10:08:48 Mellissa Lewis, Molson Coors

Informational Witness Testimony:

10:10:05 Finn McMichael, Department of Revenue (DOR)
10:10:21 Mark Schoenfeld, Department of Revenue (DOR)

Questions from Committee:

10:11:02 Sen. Russel (Russ) Tempel
10:11:10 Sen. Greg Hertz-R
10:12:04 Sen. Denise Hayman
10:12:16 Derrick Bell, DOR
10:19:03 Sen. Brad Molnar
10:19:14 Finn McMichael Department of Revenue
10:21:31 Derek Bell Department of Revenue
10:22:03 Sen. Jeremy Trebas
10:22:09 Derek Bell Department of Revenue
10:24:12 Sen. Daniel Zolnikov
10:24:17 Chris Puyear, NorthWestern Energy

Closing Statement:

10:24:54 Sen. Greg Hertz (R), SD 12, closed the hearing on SB 124.

Opening Statement:

10:29:42 Sen. Susan Webber (D), SD 8, opened the hearing on SB 119, Provide tribal property tax exemption to tribal members.

Proponent Testimony:

10:32:18 Patrick Yawakie, Lobbyist-Blackfeet Tribe
10:33:35 Mark Baker, Confederation of Salish and Kootenai Tribe
10:34:48 Keegan Medrano, American Civil Liberties Union
10:38:01 Sen. Daniel Zolnikov left the meeting.
10:38:23 Jade Bahr, Montana Budget Policy Center
10:41:56 Danielle Vazquez, Chippewa Cree Tribe

Opponent Testimony:

None

Informational Witness Testimony:

10:43:00 Bryce Kaatz, Department of Revenue (DOR)

Questions from Committee:

10:43:25 Sen. Russel (Russ) Tempel
10:43:38 Sen. Susan Webber-D
10:45:23 Sen. Greg Hertz
10:45:32 Sen. Susan Webber-D
10:47:51 Sen. Wendy McKamey
10:48:30 Sen. Susan Webber-D
10:49:24 Sen. Greg Hertz
10:49:30 Sen. Jeremy Trebas
10:49:41 Bryce Kaatz, DOR
10:50:50 Sen. Susan Webber-D
10:50:51 Sen. Daniel Zolnikov joined the meeting.

10:52:27 Sen. Greg Hertz
10:52:33 Bryce Kaatz, DOR

Closing Statement:

10:52:50 Sen. Susan Webber (D), SD 8, closed the hearing on SB 119.
10:54:26 Recessed
11:04:57 Reconvened

EXECUTIVE ACTION ON SB 16 - Revise the distribution period for a Montana farm/ranch risk management account

11:05:15 **Motion:** Sen. Daniel Zolnikov moved that **SB 16 DO PASS.**
11:05:15 **Vote:** Motion carried unanimously by voice vote.

EXECUTIVE ACTION ON SB 24 - Require corporations to file electronic income tax returns

11:06:18 **Motion:** Sen. Daniel Zolnikov moved that **SB 24 DO PASS.**
11:06:41 **Motion:** Sen. Greg Hertz moved that **SB 24 BE AMENDED.**

Discussion:

11:06:57 Jaret Coles
11:09:00 Sen. Greg Hertz
11:10:08 Sen. Wendy McKamey
11:10:23 Sen. Brad Molnar
11:12:14 Sen. Shannon O'Brien
11:12:54 Sen. Edith (Edie) McClafferty joined the meeting.
11:06:41 **Vote:** Motion carried unanimously by voice vote.
11:13:21 **Motion:** Sen. Daniel Zolnikov moved that **SB 24 BE AMENDED.**

Discussion:

11:13:38 Sen. Brad Molnar
11:14:44 Sen. Greg Hertz
11:14:59 Sen. Brad Molnar

11:15:27 Sen. Becky Beard
11:16:27 Sen. Mary Ann Dunwell
11:17:44 Sen. Daniel Zolnikov
11:18:44 Sen. Greg Hertz
11:18:55 Sen. Brad Molnar
11:13:21 **Vote:** Motion failed 10 - 2 by voice vote with Sen. Dunwell, Sen. Molnar, voting yes.

11:26:56 **Motion:** Sen. Brad Molnar moved that **SB 24 BE AMENDED.**

Discussion:

11:21:55 Sen. Brad Molnar
11:24:34 Sen. Shannon O'Brien
11:24:59 Sen. Wendy McKamey
11:26:15 Sen. Mary Ann Dunwell
11:27:18 Sen. Brad Molnar
11:26:56 **Vote:** Motion failed 11 - 1 by voice vote with Sen. Molnar, voting yes.
11:27:28 **Motion:** Sen. Mary Ann Dunwell moved that **SB 24 DIVIDE THE QUESTION FIRST PORTION.**

Discussion:

11:28:06 Sen. Brad Molnar
11:28:31 Sen. Greg Hertz
11:29:13 Sen. Brad Molnar
11:29:40 Sen. Shannon O'Brien
11:30:05 Jaret Coles
11:27:28 **Vote:** Motion failed 10 - 2 by roll call vote with Sen. Dunwell, Sen. Molnar, voting yes.

11:31:40 **Motion:** Sen. Mary Ann Dunwell moved that **SB 24 DIVIDE THE QUESTION SECOND PORTION.**

Discussion:

11:32:08 Sen. Brad Molnar
11:32:35 Sen. Greg Hertz
11:32:57 Sen. Daniel Zolnikov

- 11:33:08 Sen. Jeremy Trebas
- 11:31:40 **Vote:** Motion failed 11 - 1 by roll call vote with Sen. Molnar, voting yes.
- 11:34:39 **Motion:** Sen. Daniel Zolnikov moved that **SB 24 DO PASS AS AMENDED.**
- 11:34:39 **Vote:** Motion carried 11 - 1 by voice vote with Sen. Molnar, voting no.

EXECUTIVE ACTION ON SB 54 - Revise centrally assessed property appraisals

- 11:35:28 **Motion:** Sen. Daniel Zolnikov moved that **SB 54 DO PASS.**
- 11:36:06 **Motion:** Sen. Greg Hertz moved that **SB 54 BE AMENDED.**
- Discussion:**
- 11:36:14 Jaret Coles
- 11:37:21 Sen. Greg Hertz
- 11:37:52 Sen. Russel (Russ) Tempel
- 11:38:07 Jaret Coles
- 11:36:06 **Vote:** Motion carried unanimously by voice vote.
- 11:38:57 **Motion:** Sen. Brad Molnar moved that **SB 54 BE AMENDED.**

Discussion:

- 11:41:15 Sen. Mary Ann Dunwell
- 11:41:29 Sen. Brad Molnar
- 11:41:55 Sen. Greg Hertz
- 11:43:29 Sen. Brad Molnar
- 11:38:57 **Vote:** Motion tied 6 - 6 roll call vote
- 11:47:21 **Motion:** Sen. Daniel Zolnikov moved that **SB 54 DO PASS AS AMENDED.**

Discussion:

- 11:47:41 Sen. Brad Molnar
- 11:49:06 Sen. Greg Hertz
- 11:47:21 **Vote:** Motion carried 11 - 1 by voice vote with Sen. Molnar, voting no.

EXECUTIVE ACTION ON SB 64 - Revise laws related to extension of individual income tax statute of limitations

- 11:50:37 **Motion:** Sen. Daniel Zolnikov moved that **SB 64 DO PASS.**

11:50:37 **Vote:** Motion carried unanimously by voice vote.

EXECUTIVE ACTION ON SB 81 - Revise description of pipeline carrier for property tax purposes

11:52:15 **Motion:** Sen. Daniel Zolnikov moved that **SB 81 DO PASS.**

Discussion:

11:52:28 Sen. Russel (Russ) Tempel

11:52:55 Sen. Mary Ann Dunwell

11:53:45 Sen. Russel (Russ) Tempel

11:52:15 **Vote:** Motion carried unanimously by voice vote.

ADJOURNMENT

Adjournment: 11:55:58

Lorna Mason, Secretary

Additional Documents: [EXHIBIT\(230117TASaad\)](#)