



## Revenue and Transportation Interim Committee

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### 62nd Montana Legislature

#### SENATE MEMBERS

CHRISTINE KAUFMANN--Vice Chair  
RON ERICKSON  
JEFF ESSMANN  
KIM GILLAN  
JIM PETERSON  
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ROY HOLLANDSWORTH--Chair  
DICK BARRETT  
CYDNIE (CARLIE) BOLAND  
BRIAN HOVEN  
SUE MALEK  
MIKE MILLER

#### COMMITTEE STAFF

MEGAN MOORE, Lead Staff  
JARET COLES, Staff Attorney  
FONG HOM, Secretary

### TENTATIVE AGENDA Thursday and Friday, July 19-20, 2012 Room 102, State Capitol

#### Thursday, July 19

*Agenda times are approximate and may take more or less time than indicated.  
Public comment is taken after each agenda item.*

- 8:30 1. Call to order -- roll call -- approval of minutes from April 26 meeting -- **Rep. Roy Hollandsworth, Committee Chair**
  
- 8:35 2. Department of Transportation reports -- **Tim Reardon, Director**
  - a. Report on refund of taxes paid on biodiesel (required by 15-70-369)
  - b. Report required by 61-10-154
  - c. Salish & Kootenai Tribes-Montana Gasoline Tax Agreement (update required by 15-70-234)
  - d. Update on federal highway bill
  
- 9:00 3. Agency bill draft requests -- **Department of Transportation**
  - Action item: Does the committee authorize the drafting of the MDT proposals?
  
- 9:10 4. Discussion of review of individual income tax relief multiple (required by 15-30-2336) -- **Megan Moore, committee staff**
  
- 9:20 5. HB 142 review of required reports and advisory councils -- **Megan Moore**
  - a. Multistate Tax Compact Advisory Council
  - b. Department of Revenue Biennial report
  - c. Action item: Does the committee wish to retain or eliminate these advisory councils/reports?
  
- 9:30 6. Update on Legislative Council and Legislative Finance Committee action on options for revising rules related to revenue estimating process -- **Susan Fox, Executive Director, Legislative Services Division**
  
- 10:00 7. Discussion of revenue estimating process -- **Megan Moore**
  - a. Action item: Committee request for revenue estimate bill draft
  - b. Action item: Date of revenue estimating meeting

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- 10:30 8. Report on biodiesel blending and storage credit (required by 15-32-703, MCA) -- **Eric Dale, Economist, Department of Revenue**

***BREAK***

- 11:00 9. Department of Revenue reports -- **Dan Bucks, Director**
- a. Litigation update: AllTel case
  - b. Research topics update
  - c. Emerging issues

***LUNCH***

- 1:00 10. Administrative rule review -- **Jaret Coles, Legislative Staff Attorney**
- 1:20 11. Agency bill draft proposals -- **Department of Revenue**
- Action item: Does the committee authorize the drafting of the DOR proposals?
- 2:00 12. Committee consideration of requesting bill drafts to: (**Megan Moore**)
- a. correct distribution to Missoula TIF (15-1-121)
  - b. change "corporation income tax" to "corporation license tax" (15-6-138)
  - c. remove obsolete references to local government severance tax
  - d. repeal Title 15, chapter 24, part 24
  - e. Action item: Does the committee wish to draft these as committee bills?

***BREAK***

- 2:30 13. Countries considered tax havens in 15-31-322, MCA
- a. Update of countries that may be considered tax havens (required by 15-31-322, MCA) -- **Dan Bucks, Director, Department of Revenue**
  - b. "Apportioning Income of Multinational Enterprises Among the States Where the Income is Earned/Derived" -- **Michael J. McIntyre, Professor of Law, Wayne State University**
  - c. Luxembourg's inclusion in list of tax havens -- **Jean-Paul Senninger, Ambassador to the United States from Luxembourg**

- 4:00 14. Public comment on any topic within the committee's purview

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**Friday, July 20**

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- 8:00 1. Call to order -- roll call -- **Rep. Roy Hollandsworth, Committee Chair**
- 8:05 2. SJR 23 study of nonprofit income and property tax exemptions outline of final report --  
**Megan Moore**
- a. public comment
  - b. findings
  - c. recommendations
- 8:25 3. HJR 13 income tax study
- a. Taxpayer compliance costs -- **Krystal Stewart, Anderson ZurMuehlen**
  - b. Enforcement and auditing costs -- **Department of Revenue**
  - c. outline of final report -- **Megan Moore**
    - i. public comment
    - ii. findings
    - iii. recommendations
- 9:15 4. SJR 17 study of valuing centrally assessed property
- a.. Large industrial property taxation overview -- **Megan Moore**
    - i. Trends in valuation and property taxes paid -- **Department of Revenue**
    - ii. Industry perspective -- **Dave Galt, Executive Director, Montana Petroleum Association**
  - b. "A Comparative Study of Montana's Centrally Assessed Property Taxation Statutes and Methodology" -- **Kristen Juras, Professor, University of Montana Law School**
  - c. "A National Perspective on Montana's Unit Valuation Methods -- **Brent Eyre, Certified Appraiser, American Society of Appraisers**
  - d. Alternative approaches to the current appeals process -- **Megan Moore**
  - e. public comment
  - f. committee discussion of next steps
- 12:00 5. Public comment on any topic within the committee's purview

Other business, member topics, agenda items for September meeting

Adjourn

The Montana Legislative Services Division will make reasonable accommodations for persons with disabilities who wish to participate in this public hearing. If you require an accommodation, please contact Megan Moore, Legislative Research Analyst, at 406-444-4496, or memoore@mt.gov at least 5 working days before the meeting to discuss the nature of the accommodation that you need.

**The Revenue and Transportation Interim Committee website is <http://leg.mt.gov/rtic>.**

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