

February 18, 2019 MSCPA Legislative Call Agenda





Link to LAWS list of MSCPA bills:

http://laws.leg.mt.gov/legprd/law_utilities.CallBillSearchResults?P_ENTY_ID_SEQ2=19155&P_PFLT_APPL_SEQ=3&P_SESS=20191









Call in information:

Join Zoom Meeting: <https://zoom.us/j/111796372>

Phone: 1 720 707 2699 Meeting ID: 111 796 372

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|---|---------|
|  | Support |
|  | Monitor |
|  | Oppose |
|  | Ignore |

Newly Introduced

| Bill Number | LC Number | Primary Sponsor | Status | Status Date | Short Title |
|---|-----------|-----------------------------|---|--------------------------------|---|
| HB 435  | LC1457 | Laurie Bishop (D) HD 60 | (H) Hearing -- (H) Taxation | 02/27/2019; 9:00 AM, Rm 152 | Provide for gateway local option tax |
| HB 449  | LC1566 | Dave Fern (D) HD 5 | (H) Referred to Committee -- (H) Taxation | 2/12/2019 | Revise population limit for resort tax |
| HB 458  | LC1476 | Connie Keogh (D) HD 91 | (H) Introduced | 2/13/2019 | Revise tax laws related to opportunity zones |
| HB 462  | LC3199 | Tom Burnett (R) HD 67 | (H) Introduced | 2/13/2019 | Revise administration of tax increment financing districts |
| HB 489  | LC2206 | Matt Regier (R) HD 4 | (H) Referred to Committee -- (H) Taxation | 02/14/2019 | Repeal certificate of public advantage |
| HB 507  | LC2057 | Edward Buttrey (R) HD 21 | (H) Introduced | 02/15/2019 | Revise property taxation and classification of qualified data centers |
| SB 239  | LC0971 | Jason W Ellsworth (R) SD 43 | (S) Hearing -- (S) Taxation | 02/19/2019; 8:00 AM, Rm 405 | Provide for moratorium on property taxes for broadband fiber |
| SB 241  | LC1750 | Jeffrey W Welborn (R) SD 36 | (S) Hearing -- (S) Taxation | 02/20/2019; 8:00 AM, Rm 405 | Allow increased resort tax for infrastructure |

Reports from last week's hearings

HB226 – Exempt certain shooting ranges from property taxation (Brad Tschida)

Proponent reported on counts and estimated fiscal note of around \$28,000. Questions related to why other non-profits are not included. Passed out of House Appropriations.

SB207 – Provide taxpayer election to contribute to ABLE and education savings accounts (Tom Jacobson)

Good hearing some confusion on what the accounts and the treatment of contributions to these accounts. DOR commented that the additional cost wouldn't be much.

SB208 – Provide tax credit for student loan payments (Tom Jacobson)

Question was asked about why not provide an incentive for students who leave Montana, which missed the point of the bill. Other question about the amount of student loan payments, again the Senators were amazed at the actual cost of these loans. Intent is to not apply to graduate degrees.

● **SB217 – Revise taxation of security income (David Howard)**

\$20M fiscal note, not yet available. DOR opposed due to note and recommended that if the tax code is going to be adjusted for inflation then all areas should be addressed. Currently Montana follows the Federal which hasn't changed since the 1980's. There was confusion around Social Security being double taxed because both the federal and state tax the revenue.

HB377 – Revoke property tax exemption for payment of excessive compensation (Matt Regier)

Argument was that if a person is earning \$250,000 or more then the organization is no longer a non-profit. Opponents pointed to the impact non-profits are making and the larger ones are sufficiently complex that they require a highly compensated person to manage the operations.

HB148 – Require 2/3 of legislature to enact a new tax or fee or a tax or fee increase (Forrest Mandeville)

Similar to prior hearing Sponsor feels it is right and that the public would agree. Opponents argue that it reduces flexibility and could result in issues when revenue is needed or when changes need to be made to the tax system. Committee member questions focused on why taxes and not other issue.

This week's hearings

Monday

Tuesday

Senate Taxation – Room 405, 8am

SB215 – Revising the legislature's revenue estimating process (Roger Webb)

SB237 – Provide a tax credit for individual health insurance premiums (Albert Olszewski)

SB239 – Provide for moratorium on property taxes for broadband fiber (Jason Ellsworth)

House Taxation – Room 152, 9am

HB403 – Generally revise coal tax laws (Barry Usher)

HB404 – Revise the itemized deduction for medical expenses (Joshua Kassmier)

[HB 462](#) - Revise administration of tax increment financing districts (Tom Burnett)

Business, Labor, and Economic Affairs – Room 172, 8:30am

[HB105](#) - Revise process for out-of-state licensure for professional licensing boards

Wednesday

Senate Taxation – Room 405, 8am

[SB241](#) – Allow increased resort tax for infrastructure (Jeffrey Welborn)

[HB16](#) – Establish affordable housing loan program (Dave Fern)

[HB24](#) – Revise irrigation cost deduction for irrigated property (Alan Redfield)

House Taxation – Room 152, 9am

[HB394](#) – Revise property tax appraisal and tax appeal process (Greg Hertz)

[HB 449](#) - Revise population limit for resort tax (Dave Fern)

Thursday

Senate Taxation – Room 405, 8am

[SB204](#) – Revise tax exemption laws for certain mobile homes (Margaret MacDonald)

House Taxation – Room 152, 9am

[HB385](#) – Authorize blackjack to be played in licensed establishments (Wylie Galt)

Friday

Saturday

Tax Bills

| Bill Number | LC Number | Primary Sponsor | Status | Status Date | Short Title |
|-----------------------------|-----------|---------------------------------|---|-----------------------------|---|
| HB 72 ● | LC0172 | Marilyn Marler (D) HD 90 | (S) Scheduled for 2nd Reading | 02/15/2019 | Clarify penalty and interest laws |
| HB 88 ● | LC0090 | Kim Abbott (D) HD 83 | (S) Scheduled for 2nd Reading | 02/15/2019 | Revise 529 ABLÉ account laws |
| HB 130 ● | LC1376 | John Fuller (R) HD 8 | (H) Hearing -- (H) Taxation | 01/22/2019; 9:00 AM, Rm 152 | Revise income tax law to exempt military pensions |
| HB 144 ● | LC1390 | Alan Redfield (R) HD 59 | (H) Hearing -- (H) Taxation | 01/24/2019; 9:00 AM, Rm 152 | Eliminate certain tax credits |
| HB 148 ● | LC1176 | Forrest Mandeville (R) HD 57 | (S) Hearing | 02/14/2019; 8:00 AM, Rm 405 | Require 2/3 of legislature to enact a new tax or fee or a tax or fee increase |
| HB 193 ● | LC0178 | Mary Ann Dunwell (D) HD 84 | (H) Tabled in Committee* -- (H) Taxation | 02/08/2019 | Establish a carbon tax and distribute revenue |
| HB 216 ● | LC1196 | Kimberly Dudik (D) HD 94 | (H) Tabled in Committee * -- (H) Taxation | 02/01/2019 | Revise tax laws related to student loan reimbursements by employers |

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|-----------------------------|--------|------------------------------|--|-----------------------------|--|
| HB 226 ● | LC0618 | Brad Tschida (R) HD 97 | (H) Transmitted to Senate | 02/14/2019 | Exempt certain shooting ranges from property taxation |
| HB 269 ● | LC1874 | Derek Skees (R) HD 11 | (H) 2nd Reading Not Passed* | 02/14/2019 | Constitutional amendment for taxpayer protection act to limit tax types |
| HB 300 ● | LC0137 | Kerry White (R) HD 64 | (H) Hearing -- (H) Taxation | 02/06/2019; 8:00 AM, Rm 152 | Generally revise taxes and the distribution of revenue through sales tax |
| HB 320 ● | LC2405 | Bill Mercer (R) HD 46 | (H) 2nd Reading Passed as Amended | 02/14/2019 | Generally revise laws related to tax-advantaged savings plans |
| HB 377 ● | LC1643 | Matt Regier (R) HD 4 | (H) Hearing -- (H) Taxation | 02/13/2019; 9:00 AM, Rm 152 | Revoke property tax exemption for payment of excessive compensation |
| HB 404 ● | LC3127 | Joshua Kassmier (R) HD 27 | (H) Hearing -- (H) Taxation | 02/19/2019; 9:00 AM, Rm 152 | Revise the itemized deduction for medical expenses |
| SB 111 ● | LC1310 | Mark Blasdel (R) SD 4 | (H) Referred to Committee -- (H) Taxation | 02/14/2019 | Extend termination date of qualified endowment tax credit |
| SB 141 ● | LC1514 | Dick Barrett (D) SD 45 | (S) Tabled in Committee* -- (S) Taxation | 02/12/2019 | Repeal water's-edge election for corporate income tax |
| SB 142 ● | LC1513 | Dick Barrett (D) SD 45 | (S) Committee Report-Bill Passed -- (S) Taxation | 02/12/2019 | Revise tax haven list for corporate income tax purposes |
| SB 145 ● | LC1989 | Brian Hoven (R) SD 13 | (S) Tabled in Committee* -- (S) Taxation | 01/30/2019 | Revise income tax laws related to married taxpayers |
| SB 189 ● | LC0520 | Dick Barrett (D) SD 45 | (S) Hearing -- (S) Energy and Telecommunications | 02/07/2019; 3:00 PM, Rm 317 | Establish a carbon tax and distribute revenue |
| SB 207 ● | LC2347 | Tom Jacobson (D) SD 11 | (S) Hearing -- (S) Taxation | 02/13/2019; 8:00 AM, Rm 405 | Provide taxpayer election to contribute to ABLE and education savings accounts |
| SB 217 ● | LC1580 | David Howard (R) SD 29 | (S) Hearing -- (S) Taxation | 02/13/2019; 8:00 AM, Rm 405 | Revise taxation of security income |
| SB 237 ● | LC0546 | Albert Olszewski (R) SD 6 | (S) Hearing -- (S) Taxation | 02/19/2019; 8:00 AM, Rm 405 | Provide a tax credit for individual health insurance premiums |

License Bills

| Bill Number | LC Number | Primary Sponsor | Status | Status Date | Short Title |
|-----------------------------|-----------|-----------------------------|--|-----------------------------|---|
| HB 105 ● | LC0280 | Katie Sullivan (D) HD 89 | (S) Referred to Committee -- (S) Business, Labor, and Economic Affairs | 02/14/2019 | Revise process for out-of-state licensure for professional licensing boards |
| SB 75 ● | LC0310 | Gene Vuckovich (D) SD 39 | (H) Hearing | 02/06/2019; 8:30 AM, Rm 172 | Revise laws related to the Board of Public Accountants |

Other Bills

| Bill Number | LC Number | Primary Sponsor | Status | Status Date | Short Title |
|-----------------------------|-----------|--|---|---------------------------------|---|
| HB 108 ● | LC0262 | Gordon Pierson (D) HD 78 | (S) Scheduled for 3rd Reading | 02/15/2019 | Clarify reporting requirements for escrow businesses |
| HB 240 ● | LC1459 | Jim Hamilton (D) HD 61 | (H) Tabled in Committee* -- (H) Taxation | 02/08/2019 | Revise reporting requirements for third-party settlement organizations |
| HB 405 ● | LC1034 | Joel G Krautter (R) HD 35 | (H) Rereferred to Committee -- (H) Business and Labor | 02/14/2019 | Create catch and keep program for rural economic development |
| SB 2 ● | LC0125 | Margaret (Margie) MacDonald (D) SD 26 | (H) Taken from 2nd Reading; Rereferred to Committee -- (H) Local Government | 02/13/201 | Allow government accounting standards to include DOA framework |
| SB 19 ● | LC0129 | Roger Webb (R) SD 23 | (S) Hearing -- (S) Judiciary | 01/10/2019; 10:00 AM, Rm 422 | Revise laws related to local government budgeting and accounting |
| SB 208 ● | LC1216 | Tom Jacobson (D) SD 11 | (S) Hearing -- (S) Taxation | 02/13/2019; 8:00 AM, Rm 405 | Provide tax credit for student loan payments |

Misc. Notes/discussion:

The group is interested in participating in an interim study to help have conversations with the legislatures before bills are drafted.

The MSCPA student newsletter is going out this week and will include a poll asking if a tax credit would impact a students decision to stay in Montana.