Montana Department of REVENUE

... meeting the challenge

EXHIBIT 4
DATE 1.12.05
HB 54

House Bill 54

Credit Card Payment of Taxes Administered by the Department of Revenue

Department of Revenue Testimony

House Taxation Committee

Neil Peterson

January 12, 2004

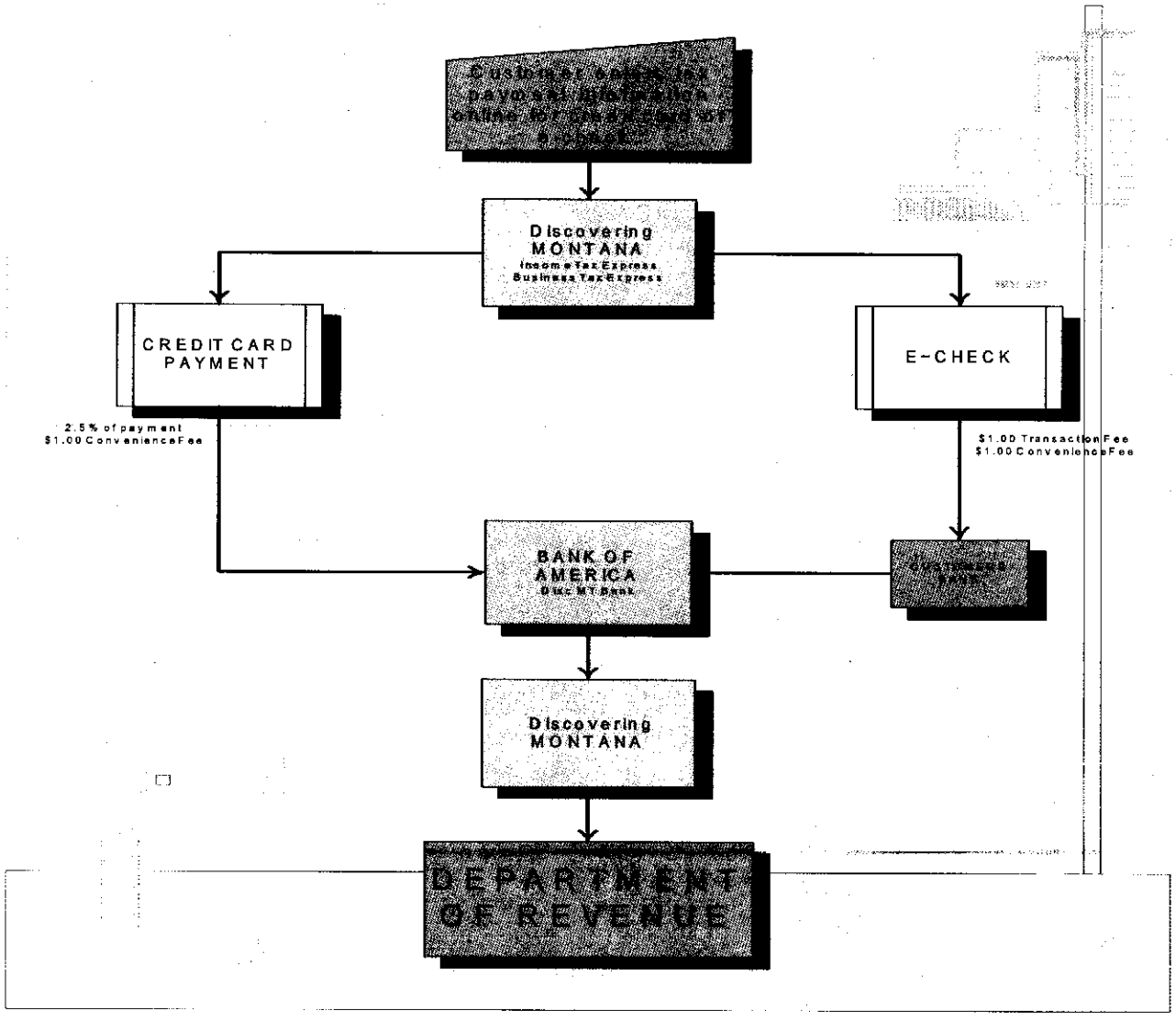
Montana Department of REVENUE ... meeting the challenge

HB54 Provisions

- HB54 authorizes the Department of Revenue to accept the payment of all taxes it administers by credit card, debit card or other commercially acceptable means.
- The bill also conforms with the provisions for payment of one-stop licensing fees by credit card to the provisions applicable to payment of other taxes administered by the department.

Montana Department of REVENUE
... meeting the challenge

Process Flow



Montana Department of REVENUE ... meeting the challenge

Electronic Payment Statistics

- **Business Tax Express – 2004**
  - 1,475 customers
  - 18,132 transactions
  - Total value of $48,347,306
  - All transaction were e-check (direct debit)
- **Income Tax Express – 2004**
  - 1,346 customers
  - 1,346 transactions
  - Total value of $880,919
  - 839 credit card/debit card transactions (average payment $678)
  - 507 E-check (direct debit) transactions (average payment $617)
- **Electronic Filing – Individual Income Tax**
  - 2,438 customers
  - 2,438 transactions
  - Total value of $1,350,576
  - Average payment $554

Montana Department of REVENUE ... meeting the challenge

HB54 - Section by Section Detail

- **Section 1.** This section amends §15-1-231, Montana Code Annotated to allow the use of credit cards, debit cards and other acceptable means to make payments of tax, penalty or interest for all tax types the department administers.
- **Section 2.** This section amends the One-stop Licensing statute §30-16-301, Montana Code Annotated covering payment of fees by credit card to conform to §15-1-231, Montana Code Annotated.
- **Section 3.** This section provides for an effective date for the bill upon passage and approval.

Montana Department of REVENUE ... meeting the challenge

HB54 Benefits

- HB54 provides another option for taxpayers to pay tax liabilities to the department. The option to pay by credit card is strictly voluntary by the taxpayer.
- HB54 will also reduce the time and cost to process payments, as there are little or no manual steps involved in processing an electronic payment.

Questions/Answers