

EXHIBIT 12
DATE 3.30.05
HB 756

Amendments to House Bill No. 756
1st Reading Copy

Requested by Representative Bill Warden

For the House Taxation Committee

Prepared by Jeff Martin
March 29, 2005 (6:07pm)

1. Title, page 1, line 9.
Following: "PRODUCTION;"
Insert: "PROVIDING THAT THE TAX INCENTIVE BE PAID OUT OF THE GENERAL FUND; PROVIDING A STATUTORY APPROPRIATION; AMENDING SECTION 17-7-502, MCA;"

2. Page 1, line 15.
Following: "property"
Insert: "in Montana"

3. Page 1, line 21 through line 22.
Strike: "25%" on line 21
Insert: "15%"
Strike: "The" on line 21 through "installments." on line 22
Insert: "The credit must be claimed in the tax year in which the facility begins processing oilseed or manufacturing a product from oilseed."

4. Page 2, line 21.
Following: "facility"
Insert: "in Montana"

5. Page 2, line 27.
Strike: "25%"
Insert: "15%"

6. Page 2, line 28.
Strike: "quarterly installments beginning in"

7. Page 3, line 26.
Following: "incentive"
Insert: "-- appropriation"

8. Page 3, line 27.

Following: "production."

Insert: "The tax incentive under this section applies to biodiesel upon which the tax has been paid under 15-70-343 by a licensed distributor. For the purposes of this section, the production year is the period from July 1 of the current year to June 30 of the succeeding year."

9. Page 3, line 28.

Strike: "Payment must be"

Insert: "Payments"

Strike: "out" through "15-70-204"

Insert: "are statutorily appropriated, as provided in 17-7-502, from the state general fund"

10. Page 4.

Following: line 7

Insert: "(5) As used in this section, "biodiesel producer" means a person who engages in the business of producing, refining, or manufacturing in Montana biodiesel for sale, use, or distribution."

ReNUMBER: subsequent subsection

11. Page 4.

Following: line 8

Insert: "Section 4. Section 17-7-502, MCA, is amended to read:

"17-7-502. **Statutory appropriations -- definition -- requisites for validity.** (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-15-151; 2-17-105; 5-13-403; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-111; 15-1-113; 15-1-121; 15-23-706; 15-35-108; 15-36-332; 15-37-117; 15-38-202; 15-65-121; 15-70-101; [section 3]; 16-11-404; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-304; 18-11-112; 19-3-319; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506;

19-20-604; 20-8-107; 20-9-534; 20-9-622; 20-26-1503; 22-3-1004; 23-5-306; 23-5-409; 23-5-612; 23-5-631; 23-7-301; 23-7-402; 37-43-204; 37-51-501; 39-71-503; 42-2-105; 44-12-206; 44-13-102; 50-4-623; 53-1-109; 53-6-703; 53-24-108; 53-24-206; 61-3-415; 69-3-870; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 77-2-362; 80-2-222; 80-4-416; 80-5-510; 80-11-518; 82-11-161; 87-1-513; 90-3-1003; 90-6-710; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to Ch. 422, L. 1997, the inclusion of 15-1-111 terminates on July 1, 2008, which is the date that section is repealed; pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates when the amortization period for the teachers' retirement system's unfunded liability is 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates July 1, 2014; pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, and secs. 2 and 5, Ch. 481, L. 2003, the inclusion of 90-6-710 terminates June 30, 2005; pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, and secs. 3 and 6, Ch. 481, L. 2003, the inclusion of 15-35-108 terminates June 30, 2010; and pursuant to sec. 135, Ch. 114, L. 2003, the inclusion of 2-15-151 terminates June 30, 2005.) "

{ Internal References to 17-7-502: x to all

2-15-151	2-17-105	5-13-403	10-3-203
10-3-310	10-3-312	10-3-312	10-3-314
10-4-301	15-1-111	15-1-113	15-1-121
15-23-706	15-35-108	15-35-108	15-36-332
15-37-117	15-38-202	15-38-202	15-65-121
15-65-121	15-70-101	16-11-404	17-1-508
17-3-106	17-3-212	17-3-222	17-3-241
17-6-101	17-7-304	17-7-501	18-11-112
19-3-319	19-9-702	19-13-604	19-17-301
19-18-512	19-19-305	19-19-506	19-20-604
20-8-107	20-9-534	20-9-622	20-26-1503
22-3-1004	23-5-306	23-5-409	23-5-612
23-5-631	23-7-301	23-7-402	37-43-204
37-51-501	39-71-503	42-2-105	44-12-206
44-13-102	50-4-623	53-1-109	53-6-703
53-24-108	53-24-108	53-24-206	61-3-415
69-3-870	75-1-1101	75-5-1108	75-6-214
75-10-622	75-11-313	77-2-362	80-2-222
80-4-416	80-5-510	80-11-518	82-11-161
87-1-513	90-3-1003	90-6-710	90-9-306} "

"COORDINATION SECTION. Section 5. Coordination instruction. If House Bill No. 776 is not passed and approved,

the definition of "biodiesel" in 15-70-301 must read as follows:

"(2) (a) "Biodiesel" means a fuel produced from monoalkyl esters of long-chain fatty acids derived from vegetable oils, renewable lipids, animal fats, or any combination of those ingredients. The fuel must meet the requirements of ASTM D6751, also known as the Standard Specification for Biodiesel Fuel (B100) Blend Stock for Distillate Fuels, as adopted by the American society of testing and materials.

(b) Biodiesel is also known as "B-100"."

Renumber: subsequent sections

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