

EXHIBIT 8
DATE 4.14.05
SB 513

(406) 677-220

April 13, 2005

379 Boy Scout Road • P.O. Box 549 • Seeley Lake, Montana 5986

Esteemed Members of the Montana House Taxation Committee:

Running any business in Montana is a challenge. When the legislature contemplates bills that increase the challenge, I bristle!

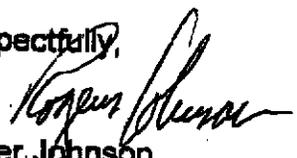
SB 513 is bad for business in Montana, and for many individuals. It increases the tax burden for insurance companies. As their tax goes up, so do our premiums. That shrinks our margin. Any cuts we make to maintain our margin will probably be at the expense of our 150 employees. I hope none of you ran on a platform of reducing wages and benefits for hard working Montanans.

The new reporting requirements are confusing and there seems to be no stated purpose. What is the magic behind "book worth" of \$2,000,000? It does not take much real estate or business investment to get to \$2,000,000. This legislation presumes guilt until innocence is proven. Confusion will lead to mis-reporting, which will generate penalties. What is the point?

It is hard to complain about a property tax rebate. It does not appear that SB 520 is well thought out. Inequities appear in group living situations and family ranches that are incorporated. It is also a disincentive to bringing good paying jobs to Montana. Why ask employees to pay higher property taxes on already inflated real estate when Wyoming and Idaho would not have that requirement.

SB 521 is a terrible bill. The IRS has been struggling with the unintended consequences of Alternative Minimum Tax for years. Now we want to get into the game? Then we propose to use book income? That will be a nightmare. How long will it take just to write the regulations? Why would any business want to relocate here with all those unknowns, when neighboring states are offering incentives? Kill the bill, please.

Please accept this letter as written testimony against SB 513, SB 520 and SB 521.

Respectfully,

Roger Johnson
President
Pyramid Mountain Lumber, Inc.