



SENATE STANDING COMMITTEE REPORT

April 13, 2005

Page 1 of 1

Mr. President:

We, your committee on **Taxation** recommend that ~~House Bill 410~~ (third reading copy -- blue) be concurred in as amended.

Signed: _____

A handwritten signature in cursive script, appearing to read "J. Elliott", written over a horizontal line.

Senator Jim Elliott, Chair

To be carried by Senator Dan Harrington

And, that such amendments read:

1. Page 3, line 18.

Strike: "\$20,000"

Insert: "\$100,000"

- END -

Committee Vote:

Yes 7, No 4.

791309SC.ssc

Handwritten initials, possibly "RA", in the bottom right corner of the page.



SENATE STANDING COMMITTEE REPORT

April 13, 2005

Page 1 of 9

Mr. President:

We, your committee on Taxation recommend that ~~House Bill 584~~ (third reading copy -- blue) be concurred in as amended.

Signed: _____

A handwritten signature in cursive script, appearing to read "J. Elliott".

Senator Jim Elliott, Chair

To be carried by Senator Bob Hawks

And, that such amendments read:

1. Title, page 1, line 12.

Strike: "TAX"

2. Title, page 1, line 13.

Strike: "TAX"

3. Title, page 1, line 14.

Strike: "TAX"

4. Title, page 1, line 17.

Strike: "TAX"

5. Title, page 1, line 18.

Strike: "TAX"

6. Title, page 1, line 19.

Strike: "TAX" in both places

7. Title, page 1, line 21.

Strike: "TAX"

Committee Vote:

Yes 6, No 5.

791342SC.ssc

Handwritten initials, possibly "RH", in the bottom right corner.

8. Page 2, line 9.

Strike: "tax"

9. Page 2, line 17.

Strike: "televison"

Insert: "television"

10. Page 3, line 2.

Strike: "tax"

11. Page 3, line 6.

Strike: "televison"

Insert: "television"

12. Page 3, line 10.

Strike: the first "tax"

Insert: "payment of"

Strike: second "tax"

13. Page 3, line 12.

Following: "for"

Insert: "payment of"

Strike: "tax"

14. Page 4, line 9.

Following: "number"

Insert: "and the maximum amount of credits for which the credit
may be claimed"

15. Page 4, line 14 through line 15.

Strike: subsection (c) in its entirety

16. Page 4, line 23.

Following: "costs"

Insert: "-- determination of credits allowed -- statutory
appropriation"

Following: "."

Insert: "(1)"

17. Page 4, line 25.

Strike: "of commerce"

18. Page 4, line 26.

Insert: "(2) Within 90 days after submission of the statement of expenditures and compensation, the department shall notify the production company of the amount of credit that may be claimed and the calendar year in which payment may be claimed.

(3) (a) Subject to [section 17] and subsection (3)(b) of this section, for fiscal year:

(i) 2006, \$950,000 is statutorily appropriated, as provided in 17-7-502, to the department to pay the credits provided in [sections 7 and 8] that are approved by the department for payment during calendar years 2005 and 2006;

(ii) 2007, \$1.5 million and any amount provided in subsection (3)(a)(i) that is not paid in credits during calendar years 2005 and 2006 are statutorily appropriated, as provided in 17-7-502, to the department to pay the credits provided in [sections 7 and 8] that are approved by the department for payment during calendar years 2007 and 2008;

(iii) 2008, \$1.5 million and any amount provided in subsection (3)(a)(ii) that is not paid in credits during calendar years 2007 and 2008 are statutorily appropriated, as provided in 17-7-502, to the department to pay the credits provided in [sections 7 and 8] that are approved by the department for payment during calendar years 2008 and 2009; and

(iv) 2009, \$1.5 million and any amount provided in subsection (3)(a)(iii) that is not paid in credits during calendar years 2008 and 2009 are statutorily appropriated, as provided in 17-7-502, to the department to pay the credits provided in [sections 7 and 8] that are approved by the department for payment during calendar years 2009 and 2010.

(b) If any part of [sections 1 through 11] is challenged as unconstitutional or invalid, the amount of any credit that may be paid while the challenge is pending is \$0. On any final determination that any part of [sections 1 through 11] is unconstitutional or invalid, the statutory appropriations provided in this section are void."

19. Page 4, line 27.

Strike: the first "tax"

Strike: "tax"

20. Page 4, line 28.

Following: "department"

Insert: "for payment of costs"

21. Page 4, line 30.

Strike: "at the time the production company files its tax return"

Insert: "within 60 days of completion of principal photography"

22. Page 5, line 6.

Following: "for the"

Insert: "payment of the"

Strike: "tax"

23. Page 5, line 9.

Following: "17-7-502,"

Insert: "in equal amounts"

Following: "revenue"

Insert: "and the department of commerce"

24. Page 5, line 11.

Strike: the first "tax"

Strike: "-- severability"

Strike: "section"

Insert: "sections 5 and"

25. Page 5, line 12.

Following: "for"

Insert: "payment of"

Strike: "tax"

26. Page 5, line 13.

Strike: "is allowed a tax"

Insert: "will be paid the"

Strike: "against the taxes imposed by chapter 30 or 31"

Insert: "provided in this section"

27. Page 5, line 14 through line 15.

Strike: "Except" on line 14 through "year." on line 15

28. Page 5, line 16.

Following: "in the"

Insert: "production company's"

29. Page 5, line 17.

Following: "to the"

Insert: "lesser of the"

Strike: "10%"

Insert: "14%"

30. Page 5, line 18.

Following: "year"

Insert: "or the amount approved by the department as provided in
[section 5]"

31. Page 5, line 19.

Strike: "taxpayer"

Insert: "production company"

32. Page 5, line 21.

Strike: "taxpayer"

Insert: "production company"

33. Page 5, line 23 through page 6, line 3.

Strike: subsection (4) through subsection (5) in their entirety

Renumber: subsequent subsections

34. Page 6, line 4.

Strike: "taxpayer" in two places

Insert: "production company" in two places

35. Page 6, line 6.

Following: "15-31-114."

Insert: "A production company that claims a credit under this
section may not claim a deduction under 15-30-121 or 15-31-
114 for the amount of compensation upon which the amount of
the credit was computed."

36. Page 6, line 7 through line 8.

Strike: subsection (7) in its entirety

37. Page 6, line 10.

Strike: "Tax credit"

Insert: "Credit"

Strike: "section"

Insert: "sections 5 and"

38. Page 6, line 11.

Strike: "is allowed"

39. Page 6, line 12.

Strike: "a tax"

Insert: "will be paid the"

Strike: "against the taxes imposed by chapter 30 or 31"

Insert: ", as provided in this section,"

40. Page 6, line 13.

Following: "~~10%~~"

Insert: "the lesser of"

41. Page 6, line 14.

Strike: "7%"

Insert: "9%"

42. Page 6, line 15.

Following: "year"

Insert: "or the amount approved by the department as provided in
[section 5]"

43. Page 6, line 16.

Strike: "taxpayer"

Insert: "production company"

44. Page 6, line 17.

Strike: "taxpayer"

Insert: "production company"

45. Page 6, line 18.

Strike: "taxpayer"

Insert: "production company"

46. Page 6, line 20 through line 26.

Strike: subsection (3) through subsection (4) in their entirety

Renumber: subsequent subsection

47. Page 6, line 27.

Strike: "taxpayer" in both places

Insert: "production company" in both places

48. Page 6, line 29.

Following: "15-31-114."

Insert: "A production company that claims a credit under this section may not claim a deduction under 15-30-121 or 15-31-114 for the amount of compensation upon which the amount of the credit was computed."

49. Page 7, line 1.

Strike: "allowed"

Insert: "paid"

50. Page 7, line 2.

Following: "production."

Insert: "The total amount may not exceed the amount statutorily appropriated under [section 5]."

51. Page 7, line 4.

Following: "for"

Insert: "payment of"

Strike: "recapture"

Insert: "refund -- interest"

Strike: "taxpayer"

Insert: "production company"

52. Page 7, line 5.

Following: "claim"

Insert: "payment for"

53. Page 7, line 7.

Strike: "taken"

Insert: "been paid"

54. Page 7, line 8.

Following: "taken"

Insert: "within 60 days"

Strike: "The" through "chapter"

Insert: "If the production company does not refund the amount of

any credit received within 60 days after the date on which the department of commerce revokes the state certification, interest accrues on the unpaid balance at the rate of 12% a year, accrued at 1% a month, on the unpaid refund"

55. Page 7, line 13.

Strike: "taxpayer"

Insert: "production company"

56. Page 7, line 28.

Strike: "section"

Insert: "sections 5 and"

57. Page 8, line 21.

Strike: the first "chapter 31,"

Strike: ", chapter 31,"

58. Page 8, line 23.

Insert: "NEW SECTION. Section 14. Nonseverability. It is the intent of the legislature that each part of [this act] is essentially dependent upon every other part, and if one part is held unconstitutional or invalid, all the other parts are invalid."

Renumber: subsequent sections

59. Page 9, line 1.

Strike: "-- carryforward"

60. Page 9, line 2.

Strike: "unused"

Insert: "unpaid"

Following: "section"

Insert: "6 or"

Strike: "carried forward for use on"

Insert: "claimed with"

Strike: "beginning"

Insert: "ending"

61. Page 9, line 3.

Strike: "2014"

Insert: "2010"

Strike: "carryforward,"

Strike: "recapture"
Insert: "refund"

- END -

**MONTANA STATE SENATE
2005 LEGISLATURE**

ROLL CALL VOTE

TAXATION COMMITTEE

DATE 4-13-05 BILL NO. HB 410 NUMBER 1

MOTION: ELLIOTT: BCIAA

NAME	AYE	NO
SEN. JIM ELLIOTT (D), CHAIRMAN	✓	
SEN. KEN TOOLE (D), VICE CHAIRMAN	✓	
SEN. JERRY BLACK (R)		✓
SEN. JON ELLINGSON (D)	⓪	
SEN. JEFF ESSMANN (R)		✓
SEN. KELLY GEBHARDT (R)		✓
SEN. KIM GILLAN (D)	✓	
SEN. DAN HARRINGTON (D)	✓	
SEN. SAM KITZENBERG (R)	✓	
SEN. TRUDI SCHMIDT (D)	⓪	
SEN. ROBERT STORY (R)		✓
LEE HEIMAN, LSD	X	
KATHLEEN ELY, COMMITTEE SECRETARY	X	
TOTAL	7	4

**MONTANA STATE SENATE
2005 LEGISLATURE**

ROLL CALL VOTE

TAXATION COMMITTEE

DATE 4-13-05 BILL NO. HB 584 NUMBER 1

MOTION: ELLIOTT: To reconsider HB 584

NAME	AYE	NO
SEN. JIM ELLIOTT (D), CHAIRMAN	✓	
SEN. KEN TOOLE (D), VICE CHAIRMAN	✓	
SEN. JERRY BLACK (R)		✓
SEN. JON ELLINGSON (D)	✓	
SEN. JEFF ESSMANN (R)		✓
SEN. KELLY GEBHARDT (R)		✓
SEN. KIM GILLAN (D)		<input checked="" type="checkbox"/> <i>not proxy</i>
SEN. DAN HARRINGTON (D)	✓	
SEN. SAM KITZENBERG (R)	✓	
SEN. TRUDI SCHMIDT (D)	✓	
SEN. ROBERT STORY (R)		✓
LEE HEIMAN, LSD	x	
KATHLEEN ELY, COMMITTEE SECRETARY	x	
TOTAL	6	5

Ellingson

PROXY VOTE

I, the undersigned, hereby authorize Senator Harrington to
vote my proxy on any issue before the Senate Taxation
Committee held on April 13, 2005.

Jim Elly
SENATOR
STATE OF MONTANA

PROXY VOTE

I, the undersigned, hereby authorize Senator Harrington to

vote my proxy on any issue before the Senate Taxation

Committee held on April 13, 2005.



SENATOR
STATE OF MONTANA

PROXY VOTE

I, the undersigned, hereby authorize Senator Gillan to

vote my proxy on any issue before the Senate Taxation

Committee held on April 13, 2005.



SENATOR

STATE OF MONTANA

4-13-05

JEFF ESSMAN —

has my proxy —

Sen Sam Kintzler

