

## MINUTES

### MONTANA HOUSE OF REPRESENTATIVES 63rd LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON TAXATION

**Call to Order:** Chair Mike Miller, on March 22, 2013 at 9:00 A.M., in Room 152 Capitol

#### ROLL CALL

**Members Present:**

Rep. Mike Miller, Chair (R)  
Rep. Kelly Flynn, Vice Chair (R)  
Rep. JP Pomnichowski, Vice Chair (D)  
Rep. Douglas Coffin (D)  
Rep. Wylie Galt (R)  
Rep. Kris Hansen (R)  
Rep. Tom Jacobson (D)  
Rep. Steve Lavin (R)  
Rep. Ed Lieser (D)  
Rep. Edith (Edie) McClafferty (D)  
Rep. Alan Redfield (R)  
Rep. Kerry White (R)  
Rep. Kathleen Williams (D)  
Rep. Nancy Wilson (D)

**Members Excused:** Rep. Brian Hoven (R)  
Rep. Austin Knudsen (R)  
Rep. Mary McNally (D)  
Rep. Lee Randall (R)  
Rep. Nicholas Schwaderer (R)  
Rep. Daniel Zolnikov (R)

**Members Absent:** None

**Staff Present:** Megan Moore, Legislative Branch  
Rebecca Shaw, Committee Secretary

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

**Committee Business Summary:**

Hearing & Date Posted: HB 589, 3/13/2013; SB 179, 3/13/2013; HB 592, 03/15/2013

00:22:00 Chair Miller  
**EXHIBIT(tah62a01)**  
00:22:20 Rep. Hoven entered.

### **HEARING ON HB 592**

#### **Opening Statement by Sponsor:**

00:22:38 Rep. Robert (Bob) Mehlhoff (D), HD 26, opened the hearing on HB 592, Provide military income tax exemptions.

#### **Proponents' Testimony:**

00:27:54 Jim Higgins, Montana National Guard Association (MTNGA)  
00:28:13 Rep. Randall entered.  
00:30:23 Rep. Schwaderer entered.  
00:39:50 Rep. Roger Hagen  
00:43:25 Dan Antonietti, National Legislative Committee, Veterans of Foreign Wars (VFW)  
00:44:19 Dennis Stoner, President, Enlisted Association of the National Guard of the United States (EANGUS)  
00:46:34 Marley Berry, Member, Enlisted Association of the National Guard of the United States (EANGUS)  
00:48:57 Tim Lincoln, Chair, Montana National Guard Association, Montana Air National Guard (MTANG)  
00:52:16 Mervin Gunderson, American Legion  
00:53:42 Rhonda Wiggers, Great Falls and Helena Chambers of Commerce

**Opponents' Testimony:** None

#### **Informational Testimony:**

00:54:43 Brian Olsen, Tax Specialist, Business and Income Taxes Division, Department of Revenue (DOR)

#### **Questions from Committee Members and Responses:**

00:54:58 Rep. Pomnichowski  
00:56:31 Brian Olsen, DOR  
00:56:36 Rep. Pomnichowski  
00:57:41 Brian Olsen, DOR  
00:58:26 Rep. Pomnichowski  
00:59:36 Brian Olsen, DOR  
01:00:09 Rep. Pomnichowski  
01:01:34 Brian Olsen, DOR  
01:01:36 Rep. Pomnichowski  
01:02:41 Rep. Mehlhoff  
01:06:34 Rep. Pomnichowski  
01:06:36 Rep. Mehlhoff  
01:06:39 Rep. Hoven  
01:07:07 Tim Lincoln, MTANG  
01:08:01 Rep. Hoven  
01:08:05 Tim Lincoln, MTANG  
01:08:39 Rep. Hoven  
01:09:28 Rep. Mehlhoff

01:10:41 Rep. Schwaderer  
01:10:50 Brian Olsen, DOR  
01:13:35 Rep. Schwaderer  
01:14:22 Brian Olsen, DOR  
01:15:35 Rep. Williams  
01:17:14 Rep. Mehlhoff  
01:18:27 Rep. Williams  
01:18:31 Rep. Mehlhoff  
01:19:02 Rep. Williams  
01:19:07 Rep. Mehlhoff  
01:19:57 Rep. Williams  
01:20:02 Brian Olsen, DOR  
01:21:40 Rep. Williams  
01:21:46 Brian Olsen, DOR  
01:22:08 Rep. Hansen

**Closing by Sponsor:**

01:22:27 Rep. Mehlhoff

**HEARING ON SB 179**

**Opening Statement by Sponsor:**

01:25:17 Sen. Christine Kaufmann (D), SD 41, opened the hearing on SB 179, Revise filing requirements for pass-through entities.

**Proponents' Testimony:**

01:28:35 Margaret Kauska, Administrator, Information Management and Technology Division, Department of Revenue (DOR)  
01:32:41 Holly Franz, Montana Society of Certified Public Accountants (MSCPA) and the Montana Taxpayers Association

**Opponents' Testimony:** None

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

01:33:40 Rep. White  
01:33:52 Margaret Kauska, DOR  
01:35:21 Rep. White  
01:35:26 Margaret Kauska, DOR  
01:36:10 Rep. Pomnichowski  
01:37:36 Sen. Kaufmann

**Closing by Sponsor:**

01:38:16 Sen. Kaufmann

**HEARING ON HB 589****Opening Statement by Sponsor:**

01:39:22 Rep. Tom Jacobson (D), HD 25, opened the hearing on HB 589, Establish an oil and gas trust fund.

**EXHIBIT(tah62a02)**

01:53:03 Stephanie Morrison, Fiscal Analyst II, Fiscal Services Division (LFD)

**Proponents' Testimony:**

01:55:22 Tom Towe, Attorney and Former Legislator

**EXHIBIT(tah62a03)**

02:04:25 Derf Johnson, Communications Coordinator, Montana Environmental Information Center (MEIC)

**Opponents' Testimony:**

02:05:51 Dave Galt, Executive Director, Montana Petroleum Association (MPA)

02:10:11 Bob Gilbert, Montana Association of Oil, Coal and Petroleum Counties

02:16:14 Dennis Iverson, Northern Montana Oil and Gas Operators

**Informational Testimony:**

02:17:53 Lee Baerlocher, Bureau Chief, Business Tax and Valuation Bureau, Business and Income Tax Division, Department of Revenue (DOR)

**Questions from Committee Members and Responses:**

02:18:12 Rep. Schwaderer

02:19:20 Rep. Jacobson

02:20:04 Rep. Schwaderer

02:20:10 Rep. Jacobson

02:21:12 Rep. Hansen

02:21:17 Rep. Jacobson

02:23:00 Rep. Hansen

02:23:07 Rep. Redfield

02:23:19 Dave Galt, MPA

**Closing by Sponsor:**

02:24:37 Rep. Jacobson

02:30:04 Chair Miller

02:30:18 Rep. Pomnichowski

02:30:47 Megan Moore, Research Analyst, Legislative Services Division (LSD)

02:33:17 Chair Miller

**ADJOURNMENT**

Adjournment: 02:34:10

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Rebecca Shaw, Secretary

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Additional Documents:

**EXHIBIT([tah62aad.pdf](#))**