Moore, Megan

From: James C. Wangerin, CPA <jim@wangerin.com>
Sent: Wednesday, March 09, 2016 8:50 AM
To: 'Elsie Arntzen'; Coles, Jaret; Zolnikov, Daniel (Rep); 'Greg Hertz'
Cc: 'Fred Thomas'; Moore, Megan
Subject: oral comments for March 11 meeting
Attachments: Exhibit 4.pdf

Summary Regarding Testimony for Administrative Rule of Montana for Exempt Military Salary

My name is James C. Wangerin, CPA. My web site at www.mtnationalguardtax.com has a lot of information on Montana exemption of military pay including my written testimony.

As a tax preparer, I am concerned about documentation that can be used to verify the military pay tax exemption. As a citizen of the only state with a constitution that guarantees the right to participate, I am concerned that the administrative rule was amended after the initial notice without an opportunity for public comment.

I could not have found a legislator that would have worked harder on Senate Bill 378 than Senator Arntzen. She continues to work with Department of Revenue, National Guard, legal staff Jaret Coles of the RTIC, RTIC Chair Sen. Thomas, Representative Zolnikov (on his petition to reopen the Administrative Rule for public comment), Speaker Knudsen (in his interest in requesting an Attorney General opinion regarding the military pay exemption), and me. Senator Arntzen wrote: "... It was my purpose with SB378, that when someone or a family member comes to a tax preparer with a military order, multiple orders, or DOD documentation that there would be a clear path for the exemption that would be substantiated and reliable. ... The other issue is when an administrative rule is subsequently amended after the initial notice; there must be the public voice in the process. ..."

My concern with the subsequent amendment was also expressed by Jaret Coles, when he wrote: "... SB 378 exempts salary of National Guard members for all orders issues under "Title 10 U.S.C." ... However, the proposed amendments do not seem to embrace this concept, as the only Title 10 exemption in the rule is for a contingency operation under "10 USC 101". ...

Orders specifying title 10 annual training for the National Guard and Department of Defense documentation indicating active duty for training of Reserve should be a clear path for exemption. I am attaching DOD documentation for active duty training for Army Reserve.

I would ask the Revenue and Transportation Interim Committee to support the efforts of Senator Arntzen, Representative Zolnikov's petition, and Speaker Knudsen's interest in requesting an Attorney General opinion.

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