

SENATE JOINT RESOLUTION NO. 23

INTRODUCED BY B. TUTVEDT

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A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF MONTANA'S TAX APPEALS AND HEARING PROCESS AND THE OPTIONS AVAILABLE FOR STREAMLINING AND IMPROVING THE APPEAL PROCESS.

WHEREAS, the tax laws in Montana include numerous complicated tax types, tax rates, and tax applications all of which are subject to an appeals process; and

WHEREAS, the Montana Constitution requires that the Legislature shall provide independent appeal procedures for taxpayer grievances with respect to appraisals, assessments, equalization, and taxes, including a review procedure at the local government level; and

WHEREAS, mediation can be an important component of the taxpayer appeal process; and

WHEREAS, appeals of centrally assessed properties and large industrial facility properties can be especially protracted and complicated, and require specific expertise in taxation; and

WHEREAS, it is in the interest of the state of Montana to ensure that taxpayer appeals are fair, time efficient, and equitable.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That the Legislative Council be requested to designate an appropriate interim committee or statutory committee, pursuant to section 5-5-217, MCA, to:

- (1) review the current local government tax appeal process and state tax appeal process;
- (2) analyze whether the current local government tax appeal process and state tax appeal process should be maintained;
- (3) analyze whether there should be changes generally to the current local government tax appeal process and state tax appeal process to improve access and efficiency for taxpayer appeals;
- (4) analyze the appropriateness and timeliness of formal mandatory or voluntary mediation processes as part of the taxpayer appeal process;
- (5) analyze whether changes to the appeal process are necessary for appeal of centrally assessed



1 properties and large industrial facility properties to ensure an efficient process that attempts to avoid costly and
2 time-consuming appeals;

3 (6) determine whether to recommend an alternate process other than the current local government tax
4 appeal process and state tax appeal process, including:

5 (a) consideration of specific education, experience, and continuing education of state tax appeal board
6 members; and

7 (b) implementation of a tax court system; and

8 (c) implementation of a rotating district judge to handle direct appeals from centrally assessed and large
9 industrial facility properties; and

10 (7) ensure that the resulting recommendations for tax appeals processes be in accordance with Article
11 VIII, section 7, of the Montana Constitution.

12 BE IT FURTHER RESOLVED, that all aspects of the study, including presentation, review requirements,
13 and recommendations, be concluded before September 15, 2014.

14 BE IT FURTHER RESOLVED, that the final results of the study, including any findings, conclusions,
15 comments, or recommendations of the committee, be reported to the 64th Legislature.

16 - END -