

HOUSE JOINT RESOLUTION NO. 35

INTRODUCED BY A. REDFIELD

BY REQUEST OF THE HOUSE TAXATION STANDING COMMITTEE

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING A REVENUE AND TRANSPORTATION INTERIM COMMITTEE STUDY OF MONTANA'S STATE AND LOCAL TAX SYSTEMS USING A SUBCOMMITTEE THAT INCLUDES NONLEGISLATIVE MEMBERS.

WHEREAS, a comprehensive study of the state and local tax system has not been undertaken in many years; and

WHEREAS, the Montana economy is changing, and commerce is increasingly taking place on the Internet; and

WHEREAS, the state's increasing population and changing demographics impact the state tax system; and

WHEREAS, the 66th Legislature considered multiple pieces of legislation to revise state and local taxes; and

WHEREAS, a study of the state's tax policies should include legislators and nonlegislators that represent a broad array of stakeholders and provide opportunity for public involvement.

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 that the revenue and transportation interim committee, established in section 5-5-227, MCA, study Montana's state and local tax systems and make recommendations about whether to revise the state's current tax structure to:

- (1) establish a tax structure that works with the current economy;
- (2) stabilize state revenue and reduce volatility;
- (3) promote the long-term economic prosperity of the state and its citizens;
- (4) reflect principles of sound tax policy, including simplicity, competitiveness, efficiency, predictability,



1 stability, and ease of compliance and administration;

2 (5) ensure the tax structure is fair and equitable; and

3 (6) allow Montana to compete with other states and nations for jobs and investments.

4 BE IT FURTHER RESOLVED, that the committee be directed to appoint a subcommittee, pursuant to  
5 section 5-5-211(7), MCA, to undertake the study for the purpose of including nonlegislative members in the study  
6 process. Members of the subcommittee must include:

7 (1) a representative of city government;

8 (2) a representative of county government;

9 (3) a representative of a school district;

10 (4) a tax policy expert;

11 (5) an infrastructure expert;

12 (6) a representative of business or industry;

13 (7) an economist or other academic with tax policy expertise; and

14 (8) a representative of the department of revenue as a nonvoting member.

15 BE IT FURTHER RESOLVED, that all aspects of the study, including presentation and review  
16 requirements, be concluded prior to September 15, 2020.

17 BE IT FURTHER RESOLVED, that the final results of the study, including any findings, conclusions,  
18 comments, or recommendations of the appropriate committee, be reported to the 67th Legislature.

19 - END -