

SENATE BILL NO. 303

INTRODUCED BY G. HERTZ

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE PENALTIES FOR NONCOMPLIANCE WITH TAX WITHHOLDING REPORTING REQUIREMENTS; PROVIDING RULEMAKING AUTHORITY; AMENDING SECTIONS 15-30-2509 AND 15-30-2546, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 15-30-2509, MCA, is amended to read:

"15-30-2509. Violations by employer -- penalties, interest, and remedies -- rulemaking. (1) The department shall, as provided in 15-1-216, add penalty and interest to the amount of all delinquent withholding taxes.

(2) In addition to the penalties imposed by 15-1-216, the failure of an employer to furnish a wage and tax statement, as required by 15-30-2507(1), subjects the employer to a penalty of \$5 \$50 for each failure, with a minimum of \$50 \$1,000 if the employer furnishes the required wage and tax statement more than 30 calendar days after the due date of the wage and tax statement.

(a) The department may waive any penalty imposed under this subsection (2) if the employer demonstrates there is reasonable cause for the failure to furnish the required wage and tax statement.

(b) The department is authorized to adopt rules to administer and enforce the provisions of this section.

(3) All remedies available to the state for the administration, enforcement, and collection of income taxes are available and apply to the tax required to be deducted and withheld under the provisions of 15-30-2501 through 15-30-2508 unless otherwise specifically provided for in this part."

Section 2. Section 15-30-2546, MCA, is amended to read:

"15-30-2546. Violations by remitter -- penalties -- interest -- remedies -- rulemaking. (1) The department shall, as provided in 15-1-216, add penalty and interest to the amount of all delinquent withholding

1 taxes.

2 (2) A In addition to the penalties imposed by 15-1-216, a remitter that purposely fails to furnish the
 3 royalty and tax statement required by 15-30-2544 is subject to a penalty of \$50 \$150 for each failure, with a
 4 minimum of \$1,000 \$3,000 if the remitter furnishes the required royalty and tax statement more than 30
 5 calendar days after the due date of the royalty and tax statement. The penalties imposed by this subsection are
 6 in addition to the penalties imposed by 15-1-216.

7 (a) The department may waive any penalty imposed under this subsection (2) if the remitter
 8 demonstrates there is reasonable cause for the failure to furnish the required royalty and tax statement.

9 (b) The department is authorized to adopt rules to administer and enforce the provisions of this
 10 section.

11 (3) All remedies available to the state for the administration, enforcement, and collection of income
 12 taxes are available and apply to the tax required to be deducted and withheld under the provisions of 15-30-
 13 2536 through 15-30-2547 unless otherwise specifically provided for in this part."

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15 NEW SECTION. Section 3. Effective date. [This act] is effective on passage and approval.

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