



**Revenue and Transportation Interim Committee**  
**64th Montana Legislature**

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MEGAN MOORE, Lead Staff  
 JARET COLES, Staff Attorney  
 FONG HOM, Secretary

TO: Members of the Revenue and Transportation Interim Committee

FROM: Megan Moore, Research Analyst

RE: Study poll results and recommendation

DATE: July 20, 2015

This memorandum provides the results of the poll of possible study topics. A staff recommendation is included on the second page of the memorandum.

**Poll Results**

The committee requested that a poll be conducted to determine interest in 13 study topics proposed by committee members and staff. The results include rankings from all 12 committee members. The following table summarizes the results and is sorted with the top-ranked study topics appearing first.

Topic of Study	Suggested by	Committee time est.	Total points
Tax increment financing districts	Staff	12 hours	120
Elderly homeowner and renter credit	Staff	4 hours	118
Highway State Special Revenue account	Staff	4 hours	111
Adequacy of local government revenue generating capacity	Barrett	7 hours	88
Treatment of intangible property for centrally assessed property valuation	Thomas	4 hours	71
Property taxable value neutrality	Hertz	4 hours	69
Nonprofit reporting of community benefits	Essmann	5 hours	68
Tax liens and deeds	Staff	5 hours	59
Taxation of international corporations doing business in Montana	Barrett	5 hours	56
Consider expanding Highway 2 to four lanes	Smith	4 hours	26
Income tax simplification (individual and corporate)	Hertz/Redfield	5 hours	17
Work zones	Staff	4 hours	15
Sales tax	Hertz	6 hours	13

### Staff Recommendation

The following recommendation is based on the rankings by committee members, available committee time, and staff workload.

*Recommendation: Undertake the three highest ranked studies with the full committee participating in all studies.*

The following are the reasons for making the above recommendation:

- The proposed work plan allocates 18 hours of committee time to study committee-requested topics and emerging issues. The three studies included in the recommendation are conservatively estimated for 20 hours of committee time. The committee schedule can be expanded to 2-day meetings as needed to accommodate the three recommended studies.
- The top three studies are recommended because every committee member ranked these studies. Also, there is a clear delineation between the top three studies and the studies that ranked fourth and below. The top ranked study is within 9 points of the third ranked study. The third-ranked study received 23 more points than the fourth ranked study, which received 17 more points than the fifth ranked study.
- The recommendation is for the full committee to undertake all studies (rather than use of subcommittees) because these topics had broad support in the poll and study by the full committee allows for participation by all members.

### Next Steps

Staff will prepare study plans for review and adoption at the next regular meeting. Staff will also present background information on each topic at the next meeting as that is generally part of the first phase of a study.

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