

2017-18 Revenue and Transportation Interim Committee Work Plan Decision Matrix						
Topic	Why is this a topic?	Option A	Option B	Option C	Option D	Resources Allocated
The following studies were assigned to the RTIC by Legislative Council.						
Study Agricultural Property Valuation	HJ 22	<p><b>0.3 FTE</b></p> <ul style="list-style-type: none"> <li>° Option B</li> <li>° Review agricultural valuation procedures of all states</li> <li>° Develop framework for determining whether property is part of a bona fide agricultural operation</li> <li>° Review and consider changes to gross income requirements for parcels of less than 160 acres</li> <li>° Consider how to classify and value land previously qualifying as agricultural if changes are considered</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° Interim report</li> <li>° Decision matrix</li> <li>° White paper</li> <li>° Legislation</li> </ul>	<p><b>0.07 FTE</b></p> <ul style="list-style-type: none"> <li>° Option C</li> <li>° Review agricultural classification of small parcels in surrounding states</li> <li>° Detailed review of different types of property that qualify for agricultural classification and how the property is valued</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° White paper</li> <li>° Legislation</li> </ul>	<p><b>0.025 FTE</b></p> <ul style="list-style-type: none"> <li>° Overview of agricultural property classification and valuation</li> <li>° Panel of agricultural property owners</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° Legislation</li> </ul>	No Action	<p><b>0.275 FTE</b></p> <ul style="list-style-type: none"> <li>° Option B</li> <li>° Develop framework for determining whether property is part of a bona fide agricultural operation</li> <li>° Review and consider changes to gross income requirements for parcels of less than 160 acres</li> <li>° Consider how to classify and value land previously qualifying as agricultural if changes are considered</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° Interim report</li> <li>° Decision matrix</li> <li>° White paper</li> <li>° Legislation</li> </ul>
Study Tax Increment Financing	HJ 18	<p><b>0.25 FTE</b></p> <ul style="list-style-type: none"> <li>° Option B</li> <li>° Follow-up analysis of topics raised in panel discussions</li> <li>° Review incremental taxable values and percentage of the tax base and consider whether to set maximums</li> <li>° Expanded analysis of impacts on other taxing jurisdictions and taxation of centrally assessed property</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° Interim report</li> <li>° White paper</li> <li>° Legislation</li> </ul>	<p><b>0.15 FTE</b></p> <ul style="list-style-type: none"> <li>° Option C</li> <li>° Panel discussions on administrative costs, determination of blight, public-private investment ratios, façade program, and remittances</li> <li>° Limited analysis of impacts on other taxing jurisdictions and taxation of centrally assessed property</li> <li>° Analysis of other surrounding states' experiences</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° White paper</li> <li>° Legislation</li> </ul>	<p><b>0.005 FTE</b></p> <ul style="list-style-type: none"> <li>° Presentation by LAD staff of audit of districts that use TIF</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° Legislation</li> </ul>	No Action	<p><b>0.225 FTE</b></p> <ul style="list-style-type: none"> <li>° Option B</li> <li>° Review incremental taxable values and percentage of the tax base and consider whether to set maximums</li> <li>° Expanded analysis of impacts on other taxing jurisdictions and taxation of centrally assessed property</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° Interim report</li> <li>° White paper</li> <li>° Legislation</li> </ul>
Study Property Taxation of Utility Property	SJ 23	<p><b>0.175 FTE</b></p> <ul style="list-style-type: none"> <li>° Option B</li> <li>° Compare classification and taxation of centrally assessed and industrial property with other property types</li> <li>° Compare total tax burdens on utility customers in Montana and other states (subject to availability of data)</li> <li>° Review intangible personal property exemption</li> <li>° Consider impacts on schools, local governments, and other taxpayers if changes are proposed</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° Interim report</li> <li>° White paper</li> <li>° Legislation</li> </ul>	<p><b>0.09 FTE</b></p> <ul style="list-style-type: none"> <li>° Option C</li> <li>° DOR overview of taxation of centrally assessed and industrial property</li> <li>° Update materials provided to 2011-2012 RTIC and 2015-2016 RTIC</li> <li>° Compare total tax burdens on utility customers in Montana and other surrounding states (subject to availability of data)</li> <li>° Overview of dispute review procedures</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° White paper</li> <li>° Legislation</li> </ul>	<p><b>0.02 FTE</b></p> <ul style="list-style-type: none"> <li>° Review materials provided to 2011-2012 RTIC and 2015-2016 RTIC</li> <li>° Panel of centrally assessed and industrial taxpayers</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° Legislation</li> </ul>	No Action	<p><b>0.1 FTE</b></p> <ul style="list-style-type: none"> <li>° Option B</li> <li>° Review intangible personal property exemption</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>° White paper</li> <li>° Legislation</li> </ul>
The following are the RTIC's statutory duties						
Review administrative rules	Statute		<p><b>0.09 FTE</b></p> <ul style="list-style-type: none"> <li>° Option C</li> <li>° Committee receives copies of rules from agencies for personal review</li> </ul>	<p><b>0.085 FTE</b></p> <ul style="list-style-type: none"> <li>° Legal staff provides a brief written description of each proposed or adopted rule with issues of concern noted (Members to inform staff or Chair if they want more information)</li> </ul>		<p><b>0.085 FTE</b></p> <ul style="list-style-type: none"> <li>° Option C</li> </ul>

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Revenue estimating and monitoring	Statute		<b>0.03 FTE</b> ° Option C ° Review SB 261 to understand interaction with revenue estimating process ° Receive report to LFC analyzing the effectiveness of the Budget Stabilization Reserve Fund parameters ° Track increased gas and diesel taxes and new motor vehicle fees in quarterly Budget Status Reports ° Receive presentations from economists and forecasters in September 2018 in preparation for November adoption of revenue estimate	<b>0.001 FTE</b> ° FYE 2017 General Fund Revenue (9/17) ° Updated Revenue Trends (12/17) ° Monthly Year-to-Date Revenue Collections Reports (1/18 – 6/18) ° 2021 Biennium Revenue Outlook (6/18) ° FYE 2018 General Fund Revenue (9/18) ° 2021 Biennium Revenue Estimate (11/18)		<b>0.0275 FTE</b> ° Option C ° Review SB 261 to understand interaction with revenue estimating process ° Receive report to LFC analyzing the effectiveness of the Budget Stabilization Reserve Fund parameters ° Track increased gas and diesel taxes and new motor vehicle fees in quarterly Budget Status Reports
Review statutorily established advisory councils and required reports	Statute		<b>0.001 FTE per advisory council/report</b> ° Review advisory council/report and make recommendations on retention or elimination ° Advisory councils: Multistate Tax Compact advisory council, Agricultural Advisory Committee, Forest Lands Taxation Advisory Committee, Scenic-Historic Byways Advisory Council ° Reports listed under “Statutory Duties and Obligations” (below)		No Action	<b>0 FTE</b>
Review agency legislation	Statute		<b>0.005 FTE</b> ° Committee reviews proposals from the DOR, MDT, and MTAB and decides if staff should draft legislation for preintroduction			<b>0.005 FTE</b> ° Option B
Qualified endowment tax credit	Statute		<b>0.001 FTE</b> ° Committee reviews DOR qualified endowment tax credit report			<b>0.001 FTE</b> ° Option B
Update of review and determination of exempt property	Statute		<b>0.001 FTE</b> ° Committee reviews update on DOR’s review and determination of tax exempt property			<b>0.001 FTE</b> ° Option B
Tax rates for upcoming reappraisal cycle	Statute		<b>0.001 FTE</b> ° Committee reviews DOR report on tax rates for the upcoming reappraisal cycle that will result in taxable value neutrality for each class			<b>0.001 FTE</b> ° Option B
Use of property tax abatements for gray water systems	Statute		<b>0.001 FTE</b> ° Committee reviews report from DOR on use of property tax abatements for gray water systems			<b>0.001 FTE</b> ° Option B
List of student scholarship organizations	Statute		<b>0.001 FTE</b> ° Committee reviews report from DOR on student scholarship			<b>0.001 FTE</b> ° Option B

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receiving contributions			organizations receiving contributions from businesses and individuals receiving tax credits			
Update of countries that may be considered tax havens	Statute		<b>0.001 FTE</b> ° Committee reviews DOR update of countries that may be considered tax havens			<b>0.001 FTE</b> ° Option B
Taxpayers claiming biodiesel storing or blending tax credit	Statute		<b>0.001 FTE</b> ° Committee reviews DOR report on taxpayers claiming biodiesel storing/blending tax credit			<b>0.001 FTE</b> ° Option B
Taxpayers claiming biodiesel refund	Statute		<b>0.001 FTE</b> ° Committee reviews MDT report on taxpayers claiming the refund for biodiesel sold			<b>0.001 FTE</b> ° Option B
Enforcement of special fuels use tax	Statute		<b>0.001 FTE</b> ° Committee reviews MDT report on inspection of diesel-powered vehicles for enforcement of special fuels use tax and impact on state special revenue fund			<b>0.001 FTE</b> ° Option B
Analysis of alternative project delivery contracting	Statute		<b>0.001 FTE</b> ° Committee reviews MDT benefit analysis of alternative project delivery contracting in comparison to other contracting processes			<b>0.001 FTE</b> ° Option B
Performance audit of MDT	Statute		<b>0.001 FTE</b> ° Committee reviews LAD audit of MDT			<b>0.001 FTE</b> ° Option B
Status of motor fuel tax cooperative agreements with Indian tribes	Statute		<b>As needed/0.001 FTE</b> ° Committee reviews motor fuel tax cooperative agreement negotiations before final agreement is submitted to Attorney General			<b>As needed/0.001 FTE</b> ° Option B I
Estimated amount of receipts less than projected in revenue estimate	Statute		<b>As needed/0.002 FTE</b> ° Committee receives report of receipts less than projected revenue and, within 20 days, provides budget director with recommendations on amount of receipts.			<b>As needed/0.002 FTE</b> ° Option B
The following topics are <u>optional</u> and RTIC committee members allocated the amount of time indicated.						
Consider revising pass-through entity laws as provided in SB 253	Sen. Blasdel		<b>0.015 FTE</b> ° Stakeholder panel discussion ° Committee consideration of options for legislation		<b>No Action</b>	<b>0 FTE</b>
Follow-up on HB 511 – market sourcing of sales for income tax purposes	Sen. Blasdel		<b>0.02 FTE</b> ° Option C ° Review of laws on pass-through entities and consideration of separating pass-through laws into separate chapter	<b>0.001 FTE</b> ° DOR update on implementation	<b>No Action</b>	<b>0.001 FTE</b> ° Option C
Examination of 15-10-420 as it relates to statewide mills	Sen. Blasdel		<b>0.035 FTE</b> ° Staff review and analysis of DOA mill		<b>No Action</b>	<b>0.035 FTE</b> ° Option B

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			levy calculation worksheet ° Committee consideration of changes to statute			
Overview of eligibility for energy tax credits	Sen. Blasdel		<b>0.02 FTE</b> ° Summary of energy tax credits, eligibility for credits, and whether credits can be claimed if loan is received from state alternative energy revolving loan account or other loan/grant program		No Action	<b>0 FTE</b>
Distribution of oil and natural gas tax	Sen. Hoven		<b>0.03 FTE</b> ° Overview and history of oil and natural gas production tax ° Panel discussion			<b>0.03 FTE</b> ° Option B
Local government impact of placing land into trust status	Rep. Greg Hertz			<b>0.001 FTE</b> ° Panel with local government/MACo, tribes, and DOR		<b>0.001 FTE</b> ° Option C
Property tax information for legislators	Staff		<b>0.025 FTE</b> ° Option C ° Committee provides input during development process  <b>Deliverables:</b> ° Draft publications for input ° Property tax basics publication	<b>0.02 FTE</b> ° Direct staff to work with LFD on publication ° Receive presentation of final product  <b>Deliverables:</b> ° Property tax basics publication	No Action	<b>0.025 FTE</b> ° Option B
Stability and sustainability of General Fund Revenue Structure	Staff	<b>0.05 – 0.1 FTE</b> ° Option B ° Consider changes to state's tax structure  <b>Deliverables:</b> ° Decision matrix ° Legislation ° LFC reports	<b>0.003 FTE</b> ° Option C ° Panel discussion on tax implications  <b>Deliverables:</b> ° LFC reports	<b>0.001 FTE</b> ° Receive reports provided to LFC  <b>Deliverables:</b> ° LFC reports	No Action	<b>0 FTE</b> ° Option C (Receive reports electronically, schedule committee time only if requested)
Agency Programmatic Review	Expanded duties	<b>0.06 – 0.2 FTE</b> ° Option B ° History and overview of applicable statutes ° Staff interviews with program personnel ° Staff summaries of related audit and fiscal work and any court decisions ° Additional staff research ° Legal review of specific subjects  <b>Deliverables:</b> ° Staff report ° Legislation	<b>0.02 – 0.06 FTE</b> ° Option C ° Staff summary of program ° Bibliography of related materials including audits or fiscal analysis, including court cases  <b>Deliverables:</b> ° Summary with potential recommendations ° Legislation	<b>0.001 FTE</b> ° Agency presentation on program	No Action	<b>0 FTE</b>
Monitor MDT implementation of HB 473	Legislative Council	<b>0.05 FTE</b> ° Option B ° Staff interviews with program personnel  <b>Deliverables:</b> ° Staff report ° Legislation	<b>0.03 FTE</b> ° Option C ° Staff summary of program requirements  <b>Deliverables:</b> ° Summary ° Legislation	<b>0.004 FTE</b> ° Agency updates at each meeting	No Action	<b>0.004 FTE</b> ° Option C with updates to include information on the agency budget
<b>Total Resources Allocated</b>						<b>0.9 FTE</b>