



Revenue and Transportation Interim Committee

65th Montana Legislature

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TO: Committee Members

FROM: Jaret Coles, Staff Attorney

RE: Supplemental Administrative Rule Activity

DATE: September 12, 2017

On September 8, 2017, the Secretary of State published two notices that pertain to the Department of Revenue and one notice that pertains to the Department of Transportation. As such, this memo supplements my September 1, 2017, memo entitled "Administrative Rule Activity".

Department of Revenue

Proposal and Adoption Notices are available on the Internet:

Department of Revenue notices can be found on the Secretary of State's website at <http://www.mtrules.org/>. Under the Montana Administrative Register heading, type the number "42" in the "Search by Notice No." box and click on the "Go" icon.

Notice of Proposed Rules:

Income Tax -- Calculating the Elderly Homeowner/Renter Tax Credit. MAR 42-2-978. A public hearing will be held on September 28, 2017, at 10:30 a.m. in the Third East Reception Conference Room, Mitchell Building, Helena. The public comment period ends on October 11, 2017. The Department proposes to amend two rules. The proposed amendments update definitions while modifying the manner of how to calculate how much rent was paid by residents of a health, long-term care, or residential care facility. Prior to January 1, 2017, if a resident lived in a facility that did not provide an adequate breakdown between "rent" and "amenities" paid, the rent allowed was limited to \$30 per day. The proposed amendment changes the calculation by requiring a 20% reduction for services related to board (*i.e.*, meals, housekeeping, laundry, and transportation), a 30% reduction for continuous care (*i.e.*, assisted living, medical care, paramedical care, memory care, medical supplies, and pharmacy), and a 50% reduction if both board and continuous care are provided. A resident of a facility that provides a detailed statement

showing how much was paid for rent may choose between the calculation or the detailed statement method to calculate rent paid.

Income Tax -- Pass-Through Entities -- Senate Bill No. 252 (2017) and House Bill No. 42 (2017). MAR 42-2-979. A public hearing will be held on September 28, 2017, at 9:00 a.m. in the Third Floor Reception Conference Room, Mitchell Building, Helena. The public comment period ends on October 11, 2017. The Department proposes to amend five rules. The proposed amendments: (1) use the term "domestic second-tier pass-through entity" that was provided in [Senate Bill No. 252](#) (2017); (2) changes pass-through entity return filing deadlines to implement [House Bill No. 42](#) (2017), which revised the filing deadline for partnerships to align with the federal deadline; (3) revises the automatic filing extension so that it is automatically six months, regardless of whether a federal extension was approved, so long as any "tax, penalties, and interest due are paid on or before the date the return is filed". The remainder of the proposed amendments are housekeeping in nature and not related to new legislation.

Notice of Adopted Rules:

Nothing further as of the September 8, 2017, publication date.

Department of Transportation

Proposal and Adoption Notices are available on the Internet:

Department of Transportation notices can be found on the Secretary of State's website at <http://www.mtrules.org/>. Under the Montana Administrative Register heading, type the number "18" in the "Search by Notice No." box and click on the "Go" icon.

Notice of Proposed Rules:

Nothing further as of the September 8, 2017, publication date.

Notice of Adopted Rules:

Outdoor Advertising Control -- Transit Shelters and Benches -- Grandfather Clause. MAR 18-164. Adopted August 28, 2017. A public hearing was held on August 4, 2017, and the public comment period ended on the same day. The Transportation Commission adopted one rule and amended one rule. The new rule: (1) provides for issuance of a transit advertising permit to a local transit agency or government entity, which in turn can enter into an agreement with a third party to place advertising on a bus shelter or bench; (2) limits commercial advertising along controlled routes to one sign on the interior of a shelter, one sign on the exterior of a shelter (each

shelter sign may not exceed 24 square feet in size), one sign on the front of a bench back and one sign on the rear of a bench back (each bench back may not exceed 16 square feet) and prohibits changeable electronic lighting; and (3) provides a one-year timeframe for an existing shelter or bench advertiser to comply with the new rule. The amendment includes definitions for "bus bench", "shelter", and "transit outdoor advertising permit".

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