

| 2023-2024 Revenue Interim Committee Work Plan Decision Matrix | | | |
|---|---|--|---------------------------------|
| Statutory Duties | | | |
| Topic | Option A | Option B | Resources Allocated |
| Monitor Department of Revenue | <p>0.003 FTE</p> <ul style="list-style-type: none"> Agency updates at each meeting on topics selected by agency, staff, and committee members Quarterly reports from LFD on agency budget | <p>0.002 FTE</p> <ul style="list-style-type: none"> Agency updates at each meeting on topics selected by agency, staff, and committee members | 0.002 FTE |
| Monitor Montana Tax Appeal Board | <p>0.0015 FTE</p> <ul style="list-style-type: none"> Agency updates at each meeting on topics selected by agency, staff, and committee members Quarterly reports from LFD on agency budget | <p>0.001 FTE</p> <ul style="list-style-type: none"> Agency updates at <i>alternating meetings</i> on topics selected by agency, staff, and committee members | 0.001 FTE |
| Review administrative rules | <p>0.09 FTE</p> <ul style="list-style-type: none"> Legal staff provides RIC a brief written description of each proposed or adopted rule prior to each meeting with issues of concern noted Members to inform staff or Chair if they want more information Committee receives copies of rules from agencies for personal review | <p>0.085 FTE</p> <ul style="list-style-type: none"> Legal staff provides RIC a brief written description of each proposed or adopted rule prior to each meeting with issues of concern noted Members to inform staff or Chair if they want more information | 0.09 FTE |
| Review statutorily established advisory councils | <p>0.005 FTE per advisory council</p> <ul style="list-style-type: none"> Review advisory council and make recommendations on retention or elimination Advisory councils: Multistate Tax Compact advisory council, Agricultural Advisory Committee, Forest Lands Taxation Advisory Committee | <p>0 FTE*</p> <p><i>*If no committee member requests review</i></p> | *Option A if time allows |
| Review agency legislation | <p>0.005 FTE</p> <ul style="list-style-type: none"> Committee reviews proposals from the DOR and MTAB and decides if staff should draft legislation for pre-introduction | | 0.005 FTE |
| Revenue estimating and monitoring | <p>0.005 FTE</p> <ul style="list-style-type: none"> Option B Receive presentations from economists and forecasters in September 2024 in preparation for November adoption of revenue estimate | <p>0.001 FTE</p> <ul style="list-style-type: none"> Quarterly report or General Fund updates, as appropriate 2027 Biennium Revenue Outlook (summer 2024) 2027 Biennium Revenue Estimate and Comparison to Executive (November 2024) | 0.005 FTE |
| Review proposed ballot initiatives* | <p>0.015 FTE</p> <ul style="list-style-type: none"> Committee holds hearing on proposed ballot initiatives within 14 days of receiving final language and votes to either support or not support the placement of the text of an initiative on the ballot Committee requests background on topic of ballot initiative such as past legislation and initiative proposals or similar proposals in other states | <p>0.001 FTE</p> <ul style="list-style-type: none"> Committee holds hearing on proposed ballot initiatives within 14 days of receiving final language and votes to either support or not support the placement of the text of an initiative on the ballot <p><i>*May require additional committee meetings</i></p> | 0.015 FTE |
| Department of Revenue required reports (see full list in draft work plan) | <p>0.025 FTE (assuming 2 reports result in legislation)</p> <ul style="list-style-type: none"> Have staff provide background info on report topic in advance of receiving report Review report Make recommendations about whether to keep receiving report Make recommendations about topic of report (based on content of report) Request legislation based on recommendations | <p>0.007 FTE (total for all DOR reports)</p> <ul style="list-style-type: none"> Review report provided by Department of Revenue | 0.025 FTE |
| Film Tax Credit report | <p>0.005 FTE</p> <ul style="list-style-type: none"> Option B Request legislation on agency or committee recommendations | <p>0.001 FTE</p> <ul style="list-style-type: none"> Committee reviews report, receives agency recommendations, and decides whether to make additional committee recommendations | 0.005 FTE |

| Topic | Option A | Option B | Resources Allocated | | |
|---|---|--|--|------------------|---|
| Receipts Less Than Revenue Projections report | As needed/0.002 FTE | | 0 FTE | | |
| | <ul style="list-style-type: none"> Committee receives report of receipts less than projected revenue and, within 20 days, provides budget director with recommendations on amount of receipts. | | | | |
| Review tax credits: <ul style="list-style-type: none"> Credit for infrastructure use fees Credit for contributions to a qualified endowment Credit for property to recycle or manufacture using recycled material Credit for preservation of historic buildings | 0.15 FTE <ul style="list-style-type: none"> Option B Review other states for similar credits and compare to Montana | 0.10 FTE <ul style="list-style-type: none"> Overview of credit including legislative history, intended purpose Analysis of who benefits from credit (incl. non-residents) and timing of costs and benefits Analysis of whether credit changes taxpayer decisions (look to before credit existed) Consider impacts of elimination of credit Consider economic impact of credit Staff report summarizing the credit review Committee legislation to make recommended changes | 0.15 FTE | | |
| Member-Suggested Topics | | | | | |
| Topic | Source | Option A | Option B | Option C | Resources Allocated |
| Statewide sales tax referendum | Suggested by Sens. Beard, Hertz | 0.20 FTE <ul style="list-style-type: none"> Option B Outline goals of a statewide sales tax Review sales tax literature and policies in other states to develop best practices Deliverables <ul style="list-style-type: none"> White papers Decision matrix Draft legislation Final report | 0.15 FTE <ul style="list-style-type: none"> Design sales tax, including: <ul style="list-style-type: none"> identify tax base set tax rate tax administration remote sellers consider local option distribution of revenue Deliverables <ul style="list-style-type: none"> Decision matrix Draft legislation | No action | Include in larger property tax study |
| Local option sales tax | Suggested by Rep. Essmann | 0.25 FTE <ul style="list-style-type: none"> Option B Panel discussion with interested parties Outline goals of a local option sales tax Review Alaska as model for local option sales tax with no statewide sales tax Deliverables <ul style="list-style-type: none"> White paper Decision matrix Draft legislation Final report | 0.20 FTE <ul style="list-style-type: none"> Review recent local option sales tax legislation Design local option sales tax, including: <ul style="list-style-type: none"> identify unit of local government to levy tax identify tax base set maximum tax rate election requirements tax administration remote sellers distribution of revenue Deliverables <ul style="list-style-type: none"> Decision matrix Draft legislation | No action | Include in larger property tax study |
| Resort tax data collection | Suggested by Rep. Thane | 0.25 FTE <ul style="list-style-type: none"> Option B Follow-up on incomplete/missing survey responses (additional requests to complete survey or fill in with Annual Financial Report information) Consider policy changes based on data collected Deliverables <ul style="list-style-type: none"> Visualization using resort tax data Decision matrix White paper | 0.15 FTE <ul style="list-style-type: none"> Identify data to collect: <ul style="list-style-type: none"> entity levying tax (resort district, area, etc.) specific description of tax base tax rate revenue collections use of revenue Identify other available data to include in visualization Identify period for which to collect data Collect data via survey Deliverables <ul style="list-style-type: none"> Visualization using resort tax data | No action | Include in larger property tax study |

| Topic | Source | Option A | Option B | Option C | Resources Allocated |
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| Property tax assistance/relief (residential) | Suggested by Sen. Hertz, Reps. Essmann, Fielder, Thane | <p>0.10+ FTE</p> <ul style="list-style-type: none"> Option B Review additional options for property tax assistance <p>Deliverables</p> <ul style="list-style-type: none"> White papers Decision matrix Possible draft legislation | <p>0.05 FTE</p> <ul style="list-style-type: none"> Review 2023 enacted and proposed property tax assistance for residential property Review data on PTAP usage and HB 222 property tax rebates (summer 2024) <p>Deliverables</p> <ul style="list-style-type: none"> White paper | No action | Include in larger property tax study |
| Agricultural property taxation | Suggested by Sen. Beard, Rep. Thane | <p>0.40 FTE</p> <ul style="list-style-type: none"> Conduct study within RIC Overview of agricultural property taxation Review 2023 legislation on taxation of property traditionally used for agricultural purposes Review literature/data for information on land use changes Panel discussions with stakeholders Review other state practices <p>Deliverables</p> <ul style="list-style-type: none"> White papers Decision matrix Possible draft legislation Final report | <p>0.10 FTE</p> <ul style="list-style-type: none"> Request DOR to take lead on study RIC receives updates on study RIC staff attends DOR meetings Review DOR recommendations <p>Deliverables</p> <ul style="list-style-type: none"> Draft legislation to implement DOR recommendations | No action | 0.1 FTE |
| Exempt property | Suggested by Reps. Brewster, Essmann | <p>0.15 FTE</p> <ul style="list-style-type: none"> Option B Follow-up on recommendations of audit Consider fee on exempt property <p>Deliverables</p> <ul style="list-style-type: none"> White papers Decision matrix Possible draft legislation | <p>0.10 FTE</p> <ul style="list-style-type: none"> Request presentation of recent performance audit on exempt real property Analyze impact of property exemptions on state and local governments <p>Deliverables</p> <ul style="list-style-type: none"> White paper Possible draft legislation | No action | Include in larger property tax study |
| Tax increment financing data collection | Suggested by Sens. Beard, Hertz | <p>0.30 FTE</p> <ul style="list-style-type: none"> Option B Follow-up on incomplete/missing survey responses Consider policy changes based on data collected <p>Deliverables</p> <ul style="list-style-type: none"> Visualization using TIF data Decision matrix Possible draft legislation White paper | <p>0.15 FTE</p> <ul style="list-style-type: none"> Identify data to collect: <ul style="list-style-type: none"> bond data use of tax increment Identify other available data to include in visualization Identify period for which to collect data Collect data via survey <p>Deliverables</p> <ul style="list-style-type: none"> Visualization using TIF data | No action | Include in larger property tax study |
| Educational materials for legislators and public | Suggested by Sen. O'Brien | <p>0.05 - 0.10 FTE per topic</p> <ul style="list-style-type: none"> Identify topic(s) for educational materials Identify form of educational material (brochure, dashboard, map, infographic) | | No action | *HJ 35 brochure update if time allows |
| Property tax modernization study | Suggested by Revenue Interim Committee | <p>0.5 FTE</p> <ul style="list-style-type: none"> Background on property tax basics, property tax limits, school funding, comparisons to other states and within Montana Identify key issues by reviewing taxes by class, exemptions, tax increment financing, residential property tax levels and assistance, 15-10-420 Explore options by review policies of other states, research and recommendations from outside groups, and analysis/review of past proposals such as circuit breaker, homestead exemption, revision to levy limit, assessment limit, diversifying revenue stream <p>Deliverables</p> <ul style="list-style-type: none"> White papers Decision matrix Final report Possible draft legislation | | | |

| Additional agenda items or educational topics | | | | | |
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| Agenda Item | Source | Option A | Option B | Option C | Resources Allocated |
| Review distribution of lodging tax revenue and SB 145 | Suggested by Sen. Beard | 0.05+ FTE <ul style="list-style-type: none"> Option B Consider changes to lodging tax distributions | 0.025 FTE <ul style="list-style-type: none"> Review SB 145 Review data on lodging tax distributions | No action | |
| Review legislation revising limits on credits for donations to student scholarship organizations and educational improvement accounts (HB 408 and SB 118) | Suggested by Sen. Beard | 0.05+ FTE <ul style="list-style-type: none"> Option B Consider changes to credit limits and/or distribution of donations | 0.025 FTE <ul style="list-style-type: none"> Review HB 408 and SB 118 Review data on credits claimed and donations after limit increase in HB 408 (winter 2024) | No action | |
| Performance audit on exempt real property* <i>*If no action on exempt property member topic</i> | Staff suggested | 0.01+ FTE <ul style="list-style-type: none"> Option B Follow-up on recommendations of audit Possible draft legislation | 0.001 FTE <ul style="list-style-type: none"> Request LAD presentation of audit | No action | Include in larger property tax study |
| Hearing on Ballot Measure #2* <i>*If measure advances</i> | Staff suggested | 0.015 FTE <ul style="list-style-type: none"> Option B Staff provides an overview and analysis of Ballot Measure #2 | 0.001 FTE <ul style="list-style-type: none"> Hold hearing on Ballot Measure #2 | No action | Include in review of ballot initiatives |
| Modernization and Risk Analysis Committee updates | Staff suggested | 0.01 FTE <ul style="list-style-type: none"> Receive updates from MARA staff or RIC staff on MARA topics that relate to taxation Receive updates from RIC presiding officers if they attend MARA meetings | | No action | |
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| Total Resources Available | | | | 0.9 FTE | |

FTE available to RIC

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| .05 FTE = 144 hrs = 18 days |
| .10 FTE = 288 hrs = 36 days |
| .25 FTE = 720 hrs = 90 days |
| .50 FTE = 1440 hrs = 180 days |
| .75 FTE = 2160 hrs = 270 days |
| 1 Interim FTE = 16.5 months = 2880 hrs |

A member may request the committee learn about an issue as an agenda item as opposed to incorporating it into the work plan. Additional topics also may be requested as agenda items that do not need to be incorporated into the work plan.