



Revenue and Transportation Interim Committee

63rd Montana Legislature

SENATE MEMBERS

CHRISTINE KAUFMANN--Chair
DICK BARRETT
GREG JERGESON
JANNA TAYLOR
FRED THOMAS
ART WITTICH

HOUSE MEMBERS

NANCY BALLANCE--Vice Chair
CYDNIE (CARLIE) BOLAND
ROY HOLLANDSWORTH
CHUCK HUNTER
TOM JACOBSON
MIKE MILLER

COMMITTEE STAFF

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

MINUTES LOG

February 18-19, 2014
Room 102, Capitol Building
Helena, Montana

February 19, 2014

Please note: These minutes provide abbreviated information about committee discussion, public testimony, action taken, and other activities. To the left of each section in these minutes is a time designation indicating the approximate amount of time in hours, minutes, and seconds that has elapsed since the start of the meeting. This time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

Access to an electronic copy of these minutes and the audio or video recording is provided from the Legislative Branch home page at <http://leg.mt.gov>. On the left-side menu of the home page, select *Committees*, then *Interim*. Once on the page for *Interim Committees*, scroll down to the appropriate committee. The written minutes summary, along with the audio and video recordings, are listed by meeting date on the interim committee's web page.

Hard copies of the exhibits for this meeting are available upon request. Legislative Council policy requires a charge of 15 cents a page for copies of the document.

COMMITTEE MEMBERS PRESENT

SEN. CHRISTINE KAUFMANN, Chair
REP. NANCY BALLANCE, Vice Chair

SEN. DICK BARRETT
SEN. GREG JERGESON
SEN. JANNA TAYLOR
SEN. FRED THOMAS
SEN. ART WITTICH

REP. CYDNIE (CARLIE) BOLAND
REP. ROY HOLLANDSWORTH
REP. CHUCK HUNTER
REP. TOM JACOBSON

COMMITTEE MEMBERS EXCUSED

REP. MIKE MILLER

STAFF PRESENT

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

AGENDA & VISITORS' LIST

Agenda ([Attachment 1](#))
Visitors' list ([Attachment 2](#))

COMMITTEE ACTION

CALL TO ORDER AND ROLL CALL

00:00:12 Sen. Kaufmann called the meeting to order at 10:29 a.m. The secretary called roll; Rep. Miller was excused. ([Attachment 3](#))

GENERAL FUND REVENUE UPDATE

Stephanie Morrison
Nick Brown
Sam Schaefer
Cynthia Hollaman

00:01:32 The Legislative Fiscal Division staff presented a general fund revenue update ([Exhibit 1](#)).

00:01:35 Stephanie Morrison presented an update on Year-to-Date Revenue and Major Sources of individual income tax and corporate income tax.

Committee questions

00:12:02 Sen. Barrett

00:13:12 Ms. Morrison

00:15:28 Sen. Wittich

00:16:52 Ms. Morrison

00:19:31 Sen. Wittich

00:20:07 Ms. Morrison

00:21:22 Nick Brown presented an update on property tax and oil and natural gas production tax.

00:23:20 Sam Schaefer presented an update on vehicle fees and taxes and video gaming tax.

00:24:39 Cynthia Hollaman gave an update on insurance tax.

Committee questions on insurance tax

00:25:45 Sen. Thomas

00:26:10 Ms. Hollaman

00:26:31 Sen. Thomas

00:26:42 Ms. Hollaman

00:26:54 Sen. Thomas

00:27:23 Ms. Hollaman

Public Comment on General Fund Revenue - none

DEPARTMENT OF REVENUE AGENCY UPDATE - Mike Kadas, Director

00:29:06 Director Kadas gave opening remarks.

OFFICE OF TAXPAYER ASSISTANCE REPORT

00:30:34 Alan Peura, Deputy Director, Department of Revenue, gave a presentation on the Office of Taxpayer Assistance (**Exhibit 2**).

Committee questions

00:45:15 Sen. Barrett
00:45:54 Mr. Peura
00:46:26 Sen. Barrett
00:46:47 Gene Walborn, Department of Revenue
00:47:12 Sen. Barrett
00:47:28 Mr. Walborn

UPDATE ON INCOME TAX FRAUD

00:48:06 Director Kadas provided an overview of this update.

00:48:38 Gene Walborn presented a report on Tax Fraud and Information Sharing (**Exhibit 3**).

Committee questions

01:01:05 Sen. Barrett
01:01:21 Mr. Walborn
01:01:45 Rep. Ballance
01:02:37 Mr. Walborn
01:04:09 Sen. Kaufmann
01:04:15 Mr. Walborn
01:04:41 Rep. Hunter
01:05:31 Mr. Walborn

01:11:23 Mike Korn, Deputy Chief, Fish Wildlife and Parks, gave a presentation on sharing information with the Department of Revenue to help investigate hunting and fishing license fraud (**Exhibit 3**).

Committee questions

01:16:27 Sen. Wittich
01:16:47 Mr. Walborn
01:17:04 Sen. Wittich
01:17:10 Mr. Walborn

Public Comment on Tax Fraud - none

EMERGING ISSUES

01:17:31 Director Kadas talked about the draft plan for a new advisory committee, the Local Government Advisory Committee (**Exhibit 4**).

01:18:38 Director Kadas discussed residential reappraisal data sets.

Committee questions

01:24:35 Sen. Wittich
01:25:21 Director Kadas
01:26:38 Sen. Wittich
01:26:46 Director Kadas
01:26:53 Sen. Barrett
01:27:22 Director Kadas
01:27:28 Sen. Barrett
01:27:39 Director Kadas

Committee action

01:28:24 Sen. Kaufmann
01:29:02 Sen. Jergeson
01:29:44 Sen. Kaufmann

Public Comment on any topic

01:31:03 Bob Story, Montana Taxpayers Association
01:32:48 Harold Blattie, Montana Association of Counties

Committee questions

01:33:25 Sen. Kaufmann
01:33:54 Director Kadas
01:34:20 Jaret Coles
01:34:56 Sen. Kaufmann
01:35:12 Director Kadas
01:35:37 Rep. Jacobson
01:36:11 Sen. Kaufmann

ADJOURNMENT

01:36:19 With no further business before the committee, Sen. Kaufmann adjourned the meeting at 12:05 p.m.

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