



Montana Grain Growers Association

2021 Montana Legislative Update – Week 6



February 12, 2021

TAX WEEK!

Governor Gianforte had several tax bills in committee this week. MGGA quickly dove into reading legislation. A wise man told me he know why he is a farmer and not a lawyer- tax bills are cumbersome to read.

This week we kept John Semple busy as he testified in support of Senate Bill [159](#), [House Bill 303](#), [House Bill 294](#) and House Bill 252.

[SB 159 - Personal Income Tax Relief Act](#)

By request of the Governor. Reduces the top individual income tax and provides an applicability date. which cuts the state's top marginal income-tax rate from 6.9 percent to 6.75 percent

[HB 303 - Revise business equipment tax laws: Business Investment Grows \(BIG\) Jobs Act](#)

By request of the Governor, this bill revises business equipment tax laws and provides a reimbursement to local governments and tax increment financing districts under the Entitlement Share Program to school districts through the Block Grant Program and to the Montana University system for the loss of revenue.

[HB 294 - Revise fees for agricultural seed licenses](#)

[HB 252 - Non-refundable tax credit for employer-paid education of trade professions](#)

Establishes a non-refundable employer tax credit for trades education and training expenses

Alison went to Helena on Thursday to stand in support of our very own, Bing Von Bergen for the appointment hearing to the Montana Board of Hail Insurance. She also joined the Governor and First Lady of Montana at an industries dinner. Executives from rail, to timber to coal and ag were in attendance. Each organization spoke on their legislative priorities and overall goals. It was such valuable time to meet and hear that we all have similar priorities that will lead to Montana being successful!

Friday, Alison testified in opposition to Senate Bill 181, which would tax companies based outside the state that sell goods and services in multiple states, like the Amazon's in the world. Montana is one of a hand full of states that still use a three factor tax apportionment system- sales, property and payroll. MGGA spoke with Department of Revenue Brenden Beatty and ultimately came to the decision to oppose the bill. Our immediate concern is that our railroads would be one of the hardest-hit with terms of this current bill. We have a long experience with grain transportation issues in Montana, Matt Jones from BNSF highlighted that the tax revision would result in BNSF paying an additional \$9 million per year which would be a 36% increase. The intentions are good with this bill and we understand the move to try to capture revenue. MGGA looks forward to continuing the conversation to find a solution that would not ultimately impact shipping costs.



Next week:

[HB 2 - General Appropriations Act](#)

Sponsored by: Llew Jones

Many joint subcommittee hearings will take place throughout the week

[HB 82 - Clarify administrative expense cap on pulse crop research, marketing program](#)

Revises administrative costs for the Montana Pulse Crop Committee' provides for a new method of reimbursement' eliminates the cap on costs

Sponsored by: Kenneth Walsh

Tuesday, February 16

[HB 374 - Amend Coal Severance Tax SSR accounts, provide transfers](#)

Revises the basic library services account and the conservation district account laws, provides for general funds transfer

Sponsored by: Kenneth Holmlund

Monday, February 15

[SB 180 - Establish an interim committee on soil health](#)

Establishes a subcommittee of the Environmental Quality Council to study the viability, structure and purpose of a soil health program in Montana

Sponsored by: Pat Flowers

Wednesday, February 17

[SB 211 - Revise local subdivision review criteria regarding agriculture](#)

Revises criteria for local government review of a subdivision application with regard to impact on adjacent agricultural operations

Sponsored by: Steve Fitzpatrick

Wednesday, February 17

For more information:

- [Primary Preference List](#)
- [Secondary Preference List](#)
- [MGGA State Legislature Home Page](#)
- [House Ag Committee Hearing](#)
- [Senate Ag Committee Hearing](#)

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