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RESOLUTION 2020-05

COLLECTION OF CENTRALLY ASSESSED COAL GROSS PROCEEDS TAXES

It is the intent of the Montana Association of Counties to establish laws pertaining to collection of coal gross taxes that are centrally assessed by the State of Montana, but the burden of collection of which is placed on the counties.

WHEREAS, Montana Code Annotated [hereinafter MCA] 15-23-7 addresses Centrally Assessed Coal Gross Proceeds Taxes; and

WHEREAS, MCA 15-23-703 requires that the department of revenue to compute a tax roll based on the value of the coal gross proceeds reported to it by coal producers, which in turn the department will send to individual counties, who must then notify the coal producers causes unnecessary work; and

WHEREAS, the department is capable of collecting and distributing taxes paid on centrally assessed property (MCA 15-23-2) and sending notices of amounts due (MCA 15-23-4); and

WHEREAS, without citing any statutory authority the Chief Deputy of the Office of the Attorney General suggested that individual counties can enter into agreements to defer payment and gave an example of an agreement contemplated by the State of Montana, even though such an agreement would leave local entities such as counties and schools with a shortfall; and

WHEREAS, if the State of Montana believes an agreement with a delinquent taxpayer is in the best interests of the State it should leave local entities to bear the burden of being underfunded, but rather the State should take the burden of making sure the local entities are fully funded and the burden of collecting the delinquent taxes.

NOW, THEREFORE BE IT RESOLVED that the Montana Association of Counties will seek to establish legislation to authorize the collection of centrally assessed gross proceed taxes upon the State of Montana and the payment of the anticipated proceeds of those taxes by the State of Montana to the local entities who would receive them.

SPONSOR:	BIG HORN COUNTY
RECOMMENDATION:	DO PASS
REFERRED TO:	MACo TAX, BUDGET & FINANCE COMMITTEE
ADOPTED:	ANNUAL CONFERENCE – OCTOBER 1, 2020