

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION  
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2081

2005 SENATE FINANCE AND TAXATION

SB 2081

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2081

Senate Finance and Taxation Committee

☐ Conference Committee

Hearing Date January 5, 2005

Tape Number	Side A	Side B	Meter #
#1	X		25.6 - 32.9
Committee Clerk Signature <i>Sharon Penfrow</i>			

Minutes: All members present

**SEN. URLACHER** called the meeting to order and opened up the hearing on SB 2081.

**LAWRENCE HOPKINS**, Deputy Director of the State Treasurers Office appeared in favor of the bill stating this is again a house keeping bill or recommendation that would clarify some language on how the procedures are being done. One of the steps requires the Tax Dept. To certify to the Treasurers Office the calculations that they come up with for distributing property tax refund and basically we are eliminating that language.

**SEN. EVERY:** What is the process of certification.

**MR. HOPKINS:** They send us a sheet of paper that says the amount that they are going to send out a refund, this just eliminates that step.

**SEN. URLACHER:** It really didn't have a purpose?

**MR. HOPKINS:** It's just an unnecessary step.

**SEN. WARDNER:** Was there a time when it was necessary and do you know why it was necessary?

**MR. HOPKINS:** Not on this instance where the Tax Dept. Doesn't collect the property tax, the County collects the funds, so there is not an issue of them collecting and distributing the funds. In the case where the property tax, the Tax Dept. Collect the funds, then normally the Treasurers Office will issue the funds and therefore they have to certify the amount that we will issue out. So it never was really necessary, not in this instance.

**SEN. URLACHER:** Any further testimony? There being none, is there a motion for action?

**SEN. TOLLEFSON:** made a motion for DO PASS, seconded by Sen. Every.

**SEN. URLACHER:** Any discussion?

**SEN. COOK:** I believe section 1 and section 2 are unrelated, right? The question I go to is in section 1 where it appears to me that the Tax Commissioner shall issue the refund to the applicant and in section 2 the State Treasurer is paying out any interest owed by the State.

**MR. HOPKINS:** Clarification. Currently the Treasurer does not issue this refund, the Tax Dept. issues this refund of the property tax which is section 1.

**SEN. COOK:** the law says that the State Treasurer shall issue the refund right now.

**MR. HOPKINS:** that's correct.

**SEN. COOK:** But that is not what is happening.

**ANSWER:** No

**SEN. COOK:** But then in section 2, that's unrelated item and different process so that is where the State Treasurer does issue that refund then.

**ANSWER:** Yes

Page 3

Senate Finance and Taxation Committee

Bill/Resolution Number SB 2081

Hearing Date January 5, 2005

**SEN. URLACHER:** We have a motion on the floor for Do Pass and seconded, is there any

further discussion? If not, all in favor say aye? Voice vote unanimous, motion carries. 6-0-0

Sen. Cook will carry the bill.

Date: 1-5-05  
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2081

Senate	<b>Finance and Taxation</b>	Committee
--------	-----------------------------	-----------

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass

Motion Made By Tollefson Seconded By Evans

[illegible]

Total (Yes) 6 No 0

Absent 0

Floor Assignment Cook

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE (410)**  
January 5, 2005 12:33 p.m.

**Module No: SR-02-0093**  
**Carrier: Cook**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**SB 2081: Finance and Taxation Committee (Sen. Urlacher, Chairman) recommends DO PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2081 was placed on the Eleventh order on the calendar.**

2005 HOUSE FINANCE AND TAXATION

SB 2081

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2081

House Finance and Taxation Committee

☐ Conference Committee

Hearing Date February 15, 2005

Tape Number	Side A	Side B	Meter #
1	X		7.8
Committee Clerk Signature <i>Ganier Stein</i>			

Minutes:

**REP. WES BELTER, CHAIRMAN** Called the committee hearing to order.

**LAWRENCE HOPKINS, DEPUTY STATE TREASURER** Introduced the bill. See written testimony.

**REP. BELTER** Asked for a little background on what the renter's property tax refund is.

**LAWRENCE HOPKINS** This is a bill that allows individuals who are renting apartments who have an income and meet that threshold of \$14,000 or less of annual income, they can apply to the state and get a rebate of a portion of the property taxes that their rent is going to for that apartment.

**REP. DROVDAL** This is part of the homestead credit, but what about the renter's, don't we have the same problem dealing with the landowner, the homestead credit for people over 65 years and older, aren't they entitled to a rebate also?

Page 2

House Finance and Taxation Committee

Bill/Resolution Number **SB 2081**

Hearing Date **February 15, 2005**

**LAWRENCE HOPKINS** I don't believe so. This is a clarification of the law, where it says they have to certify it to the treasurer. I believe it came about when the tax department actually collects tax revenue.

**REP. DROVDAL** The homestead property tax credit, deals with both, the renter and the homesteader. I would think they would have the same procedure, since the homestead credit is all in one bill, but you are saying it is not the case on the property owner?

**LAWRENCE HOPKINS** that is correct.

With no further testimony, the committee hearing was closed.

**COMMITTEE ACTION**

**REP. NICHOLAS** Made a motion for a **do pass**.

**REP. DROVDAL** Second the motion. **MOTION CARRIED.**

14 YES      0 NO      0 ABSENT

**REP. OWENS** Was given the floor assignment.

Date: 2-15-05  
Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2081

House FINANCE & TAXATION

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken

Do Pass

Motion Made By

Rep. Nicholas

Seconded By

Rep. Drovdal

Representatives	Yes	No	Representatives	Yes	No
BELTER, WES, CHAIRMAN	✓				
DROVDAL, DAVID, V-CHAIR	✓				
BRANDENBURG, MICHAEL	✓				
CONRAD, KARI	✓				
FROELICH, ROD	✓				
GRANDE, BETTE	✓				
HEADLAND, CRAIG	✓				
IVERSON, RONALD	✓				
KELSH, SCOT	✓				
NICHOLAS, EUGENE	✓				
OWENS, MARK	✓				
SCHMIDT, ARLO	✓				
WEILER, DAVE	✓				
WRANGHAM, DWIGHT	✓				

Total (Yes)

14

No

0

Absent

0

Floor Assignment

Rep. Owens

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE (410)**  
February 15, 2005 11:18 a.m.

**Module No: HR-30-2926**  
**Carrier: Owens**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**SB 2081: Finance and Taxation Committee (Rep. Belter, Chairman) recommends DO PASS (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2081 was placed on the Fourteenth order on the calendar.**

2005 TESTIMONY

SB 2081

Testimony of Lawrence Hopkins  
Deputy State Treasurer

IN SUPPORT OF SENATE BILL 2081

House Finance and Tax Committee  
February 15, 2005

This law relates to the distribution and certification of the Renters Property Tax Refund.

Currently, the Tax Department is required to certify these refunds to the State Treasurer's Office. This step is no longer necessary as the Tax Department distributes these refunds. SB 2081 eliminates an unnecessary step in the distribution process thus bringing more efficiency to state government.

I ask the committee to grant favorable consideration and give SB 2081 a "do pass" recommendation.