



Revenue and Transportation Interim Committee

62nd Montana Legislature

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TO: Committee Members

FROM: Jaret Coles, Staff Attorney

RE: Administrative Rule Activity

DATE: November 7, 2012

Department of Revenue

All notices are available on the Internet at:

http://revenue.mt.gov/formsandresources/administrative_rules/default.mcp

Notice of Proposed Rules:

Agency Liquor Stores -- Negotiated Rulemaking. MAR 42-2-882. A public hearing will be held on November 15, 2012, at 10:30 a.m. in the Fourth Floor East Conference Room, Mitchell Building, Helena. The public comment period ends on November 26, 2012. The Department proposes to amend 6 rules and repeal 1 rule regarding operation of agency liquor stores. The proposed rules are a result of a negotiated rulemaking committee consisting of agency liquor store owners and Department staff. The proposed amendments provide explanations and examples, add definitions, clarify the number of agency liquor stores that may be in a community, and explain the process regarding commission percentage discount rate reviews that occur every 3 years. The introductory section of the proposed rules states: "The department believes current Montana laws concerning the commission structure for agency liquor stores are in need of a through review and study by the Legislature."

Property Tax -- Trend Tables for Valuing Property. MAR 42-2-883. A public hearing will be held on November 14, 2012, at 1:30 p.m. in the Third Floor Reception Area Conference Room, Mitchell Building, Helena. The public comment period ends on November 21, 2012. The Department proposes to amend 14 rules regarding various tables that are updated on an annual basis through Department rules. The tables generally show how the Department arrives at market value when valuing personal property, including rental equipment, farm machinery and equipment, heavy equipment, seismograph units and allied equipment, oil and gas field machinery and equipment, work-over and service rigs, oil drilling rigs, television cable systems, ski lift equipment, and industrial machinery and equipment.

Income Tax -- Withholding and Estimated Tax Payments. MAR 42-2-884. A public hearing will be held on November 19, 2012, at 1:30 p.m. in the Third Floor Reception Area Conference Room, Mitchell Building, Helena. The public comment period ends on November 27, 2012. The Department proposes to amend 8 rules regarding withholding and estimated tax payments related to a nonmilitary spouse of a military service person, North Dakota residents, and mineral royalty income.

Property Tax -- Montana Reappraisal Plan for the 2015 Cycle. MAR 42-2-885. A public hearing will be held on November 19, 2012, at 3:00 p.m. in the Third Floor Reception Area Conference Room, Mitchell Building, Helena. The public comment period ends on November 26, 2012. The Department proposes to adopt 7 new rules, amend 5 rules, and repeal 5 rules regarding the Montana reappraisal plan. Generally, the proposed new rules pertain to the purpose, objectives, and methods used in valuing residential, commercial, agricultural, and forest land that will be used during the 2015 reappraisal cycle. The proposed amended rules implement the proposed new rules by defining terms and striking outdated reference to prior reappraisal cycles. The proposed repeals strike rules that were specific to the 2003 reappraisal cycle.

Liquor Administration -- Product Approval for Beer, Wine, and Hard Cider Products. MAR 42-2-886. A public hearing will be held on November 15, 2012, at 3:00 p.m. in the Third Floor Reception Area Conference Room, Mitchell Building, Helena. The public comment period ends on November 26, 2012. The Department proposes to adopt 1 new rule and amend 3 rules regarding product label and packaging requirements for beer, wine, and hard cider products. The proposed new rule relates to the label approval process for wineries and wine importers. The proposed amendments relate to brewers, beer importers, wineries, and wine importers.

Notice of Adopted Rules:

Liquor License Application General Regulation and Premises Suitability Requirements. MAR 42-2-876. Adopted 8 rules and amended 19 rules on September 20, 2012. A public hearing was held on June 4, 2012. Public comment was received and changes were made based on the comments received. The new rules and amendments generally pertain to premises requirements for each license type and the respective privileges. Additionally, the rules implement legislation from 2011, 2009, and 2007.

Comment: Public comment was received regarding the operation of unlicensed bottle clubs in Montana. In response to this comment, the Department indicated it "will report to the Revenue and Transportation Interim Committee that in the course of this rulemaking the issue of unlicensed bottle clubs arose again, that the issue is of interest to the public, and that it is a matter than can only be dealt with by legislation."

Section 16-6-306, MCA, provides as follows:

16-6-306. Bottle clubs prohibited. The operation of alcoholic beverage bottle clubs is hereby prohibited by any person, persons, partnership, firm, corporation, or association. A bottle club is defined as any person, persons, partnership, firm, corporation, or association maintaining premises not licensed for the sale of alcoholic beverages, for a fee or other consideration, including the sale of food, mixes, ice, or any other fluids for alcoholic beverages, or otherwise furnishing premises for such purposes and from which they would derive revenue.

Department of Transportation

Notice of Proposed Rules:

Motorist Information Signs. MAR 18-137. No public hearing is contemplated, and the public comment period ends on November 8, 2012. The Department of Transportation proposes to adopt 1 new rule, amend 19 rules, and repeal 1 rule regarding motorist operation signs. The proposed new rule and the amendments implement federal regulations as found in the Federal Highway Administration Manual on Uniform Traffic Control Devices (MUTCD), which is specifically adopted as the standard in the Montana Code Annotated. The proposed repeal deletes repetitions language.

Notice of Adopted Rules:

None as of November 8, 2012.

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