



The Policy Institute

2011 Legislative Candidate Survey

Candidate Name: _____

Signature: _____

Do you support or oppose the following policy ideas and initiatives?

EARNED INCOME TAX CREDIT

A state Earned Income Tax Credit (EITC) in Montana would piggy-back on the federal EITC and would help lift low-income working families in Montana out of poverty. For many Montana families, as income increases, eligibility for assistance programs decreases, creating a disincentive to earn more. Add to that the fact that poor families in Montana are taxed more heavily than the national average, and the need for a state EITC in Montana is clear.

Do you support enacting a state Earned Income Tax Credit in Montana?

Strongly Support 1 2 3 4 5 Strongly Oppose

If elected, would you be willing to sponsor or co-sponsor this type of legislation? ____Yes ____No

OIL AND GAS TAX "HOLIDAY"

Since 2003, Montana's Oil and Gas Tax "Holiday" has cost the state more than \$500 million in lost revenue. Defenders of the tax break contend that tax rates are major factors in exploration and development decisions, but in fact, evidence shows that tax incentives are not significant determinants of oil and gas production.

Do you support repealing Montana's Oil and Gas Tax "Holiday?"

Strongly Support 1 2 3 4 5 Strongly Oppose

If elected, would you be willing to sponsor or co-sponsor this type of legislation? ____Yes ____No

REAL ESTATE TRANSFER TAX

Several attempts have been made recently to enact a real estate transfer tax in Montana. In 2007, Sen. Ron Erickson sponsored a bill that would have levied a one percent real estate transfer tax on home sales, exempting the first \$500,000 in property value. The revenue would have been deposited in the state affordable housing trust fund to help first-time homebuyers. This year, an effort is underway that would prohibit this type of tax by way of CI-105.

Do you support instituting a real estate transfer tax in Montana?

Strongly Support 1 2 3 4 5 Strongly Oppose

If elected, would you be willing to sponsor or co-sponsor this type of legislation? ____Yes ____No

TAX COMPLIANCE

The Montana Department of Revenue recovers \$8.50 in tax revenue for every \$1.00 spent on compliance efforts.

Do you favor increasing support for the Department of Revenue's compliance efforts?

Strongly Support 1 2 3 4 5 Strongly Oppose

If elected, would you be willing to sponsor or co-sponsor this type of legislation? ____Yes ____No

TAX EXPENDITURES

Tax expenditure policies give a tax break, credit, deduction, abatement or exemption to a selected tax entity. Since a tax reduction for one group always results in either an increased proportional share of tax responsibility for another group or decreased funding for a public service or program, it is imperative for citizens to examine the stated policy goals of tax expenditures – both existing and proposed – and to require that legislators provide evidence that the tax expenditures are accomplishing – or can be expected to accomplish – their purported goals.

Do you support curbing ineffective tax expenditures by requiring regular evaluation of such laws?

Strongly Support 1 2 3 4 5 Strongly Oppose

If elected, would you be willing to sponsor or co-sponsor this type of legislation? ____Yes ____No

CIGARETTE AND ALCOHOL TAX

In order to address revenue crises in their states, the legislatures of New Mexico, Washington and Utah recently voted to increase taxes on cigarettes and alcohol purchased in their states.

Do you support increasing taxes on cigarettes and alcohol purchased in Montana?

Strongly Support 1 2 3 4 5 Strongly Oppose

If elected, would you be willing to sponsor or co-sponsor this type of legislation? ____Yes ____No

INCOME TAX SYSTEM

In 2003, Senate Bill 407 drastically changed Montana’s income tax structure, resulting in a revenue loss of \$100 million per year. Included in the bill were the following changes: a reduction of the base of the top tax bracket from \$82,400 to \$13,900; a decrease in the top tax rate from 11% to 6.9%; and an implementation of a capital gains tax credit which effectively reduces the capital gains tax rate for the wealthiest Montanans. In fact, half of the \$100 million in lost revenue that has come as a result of SB 407 has benefitted just 400 of the richest families in Montana, while the state remains one of the worst in the nation in terms of taxing those below the poverty line.

Do you support repealing elements of 2003’s SB 407, including making the following changes:

a. Increasing the base of the top tax bracket back to \$82,400 (from \$13,900)?

Strongly Support 1 2 3 4 5 Strongly Oppose

b. Increasing the top tax bracket rate back to 11% (from 6.9%)?

Strongly Support 1 2 3 4 5 Strongly Oppose

c. Repealing the capital gains tax credit?

Strongly Support 1 2 3 4 5 Strongly Oppose

Raising the income tax rate on individuals in Montana making \$250,000 a year or more (currently 6.9%)?

Strongly Support 1 2 3 4 5 Strongly Oppose

Raising the income tax rate on individuals in Montana making \$500,000 a year or more (currently 6.9%)?

Strongly Support 1 2 3 4 5 Strongly Oppose

Raising the income tax rate on individuals in Montana making \$1 million a year or more (currently 6.9%)?

Strongly Support 1 2 3 4 5 Strongly Oppose

If elected, would you be willing to sponsor or co-sponsor this type of legislation? ____Yes ____No