

YMCA YOUTH LEGISLATURE OF THE STATE OF MONTANA

_____ Bill Number _____

Legislative Action:

Introduced by: Pete Mitchell

House Committee: _____

Authored by: Pete Mitchell

House: _____

Senate Committee: _____

Delegation: BCHS/SW YMCA

Senate: _____

Governor: _____

Referred to Committee: _____

1 A BILL FOR AN ACT ENTITLED: "AN ACT TO REDIRECT THE SOURCE OF
2 MONTANAN'S TAXES NAMED 'THE SALES TAX ACT'"

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4 BE IT ENACTED BY THE 2009 MONTANA YMCA YOUTH LEGISLATURE:

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6 **Section 1.** "The Sales Tax Act" redirects funds into the General Fund, while reducing
7 the income tax of 6.9-1.0% to 3.45-0.5%, varying on amount of taxable income according to
8 existing income tax laws.

9 **Section 2.** The state sales tax implemented will remain at a rate of 5.5% on goods and
10 services, with some exemptions.

11 **Section 3.** The state sales tax will apply to all purchases of services and products.

12 **Section 4.** The proposed sales tax would include all but exempting groceries,
13 prescription drugs, federal government sales, interstate and foreign sales, newspapers, fuels for
14 vehicles, and machinery and equipment sales including vehicles

15 **Section 5.** All residents and non-residents on Welfare are excluded from paying the sales
16 tax.

17 **Section 6.** Any monies used to enact this bill shall come from the General Fund.

18 **Section 7.** Upon passage, this bill will be enacted the following fiscal year.

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