



AN ACT INCREASING THE PENALTIES FOR NONCOMPLIANCE WITH TAX WITHHOLDING REPORTING REQUIREMENTS; PROVIDING FOR WAIVERS OF THE PENALTIES; PROVIDING RULEMAKING AUTHORITY; AMENDING SECTIONS 15-30-2509 AND 15-30-2546, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 15-30-2509, MCA, is amended to read:

**"15-30-2509. Violations by employer -- penalties, interest, and remedies, and waivers -- rulemaking.** (1) The department shall, as provided in 15-1-216, add penalty and interest to the amount of all delinquent withholding taxes.

(2) In addition to the penalties imposed by 15-1-216, the failure of an employer to furnish a wage and tax statement, as required by 15-30-2507(1), subjects the employer to a penalty of ~~\$5~~ \$50 for each failure, with a minimum of ~~\$50~~ \$250.

(a) If the department has not previously imposed a penalty authorized by this section on the employer, the penalty must be waived if the wage and tax statement is furnished within 30 days of the department's notice that the statement is delinquent.

(b) If the department has previously imposed a penalty authorized by this section on the employer, the penalty may only be waived if the employer:

(i) submits the wage and tax statement within 15 calendar days of the due date of the wage and tax statement; or

(ii) demonstrates there is reasonable cause for the failure to furnish the required wage and tax statement.

(c) Penalties imposed by the department for failing to timely file a wage and tax statement

occurring before [the effective date of this act] are not relevant when making a determination under subsections (2)(a) and (2)(b).

(d) The department is authorized to adopt rules to administer and enforce the provisions of this section.

(3) All remedies available to the state for the administration, enforcement, and collection of income taxes are available and apply to the tax required to be deducted and withheld under the provisions of 15-30-2501 through 15-30-2508 unless otherwise specifically provided for in this part."

**Section 2.** Section 15-30-2546, MCA, is amended to read:

**"15-30-2546. Violations by remitter -- penalties -- interest -- remedies -- WAIVERS -- rulemaking.**

(1) The department shall, as provided in 15-1-216, add penalty and interest to the amount of all delinquent withholding taxes.

(2) A In addition to the penalties imposed by 15-1-216, a remitter that purposely fails to furnish the royalty and tax statement required by 15-30-2544 is subject to a penalty of \$50 \$150 for each failure, with a minimum of \$1,000 \$1,000. The penalties imposed by this subsection are in addition to the penalties imposed by 15-1-216.

(a) If the department has not previously imposed a penalty authorized by this section on the remitter, the penalty must be waived if the royalty and tax statement is furnished within 30 days of the department's notice that the statement is delinquent.

(b) If the department has previously imposed a penalty authorized by this section on the remitter, the penalty may only be waived if the remitter:

(i) submits the royalty and tax statement within 15 calendar days of the due date of the royalty and tax statement; or

(ii) demonstrates there is reasonable cause for the failure to furnish the required royalty and tax statement.

(c) Penalties imposed by the department for failing to timely file a royalty and tax statement occurring before [the effective date of this act] are not relevant when making a determination under subsections (2)(a) and (2)(b).

(d) The department is authorized to adopt rules to administer and enforce the provisions of this section.

(3) All remedies available to the state for the administration, enforcement, and collection of income taxes are available and apply to the tax required to be deducted and withheld under the provisions of 15-30-2536 through 15-30-2547 unless otherwise specifically provided for in this part."

**Section 3. Effective date.** [This act] is effective on passage and approval.

- END -

I hereby certify that the within bill,  
SB 303, originated in the Senate.

---

Secretary of the Senate

---

President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2023.

---

Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2023.

SENATE BILL NO. 303  
INTRODUCED BY G. HERTZ

AN ACT INCREASING THE PENALTIES FOR NONCOMPLIANCE WITH TAX WITHHOLDING REPORTING REQUIREMENTS; PROVIDING FOR WAIVERS OF THE PENALTIES; PROVIDING RULEMAKING AUTHORITY; AMENDING SECTIONS 15-30-2509 AND 15-30-2546, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.