

## Cooper, Bob

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**From:** Cooper, Bob  
**Sent:** Thursday, July 31, 2003 3:43 PM  
**To:** Carrie Terrell (E-mail)  
**Cc:** Staffeldt, Darlene  
**Subject:** Taxes vs. Fees

Hi Carrie.

As promised, I have done some looking for tax versus fee information. MSL has not had cause to do much work in this area to date, so my search of our files was not highly productive. With Darlene's assistance, I did extract the following from some earlier work in June 2000 that refers to additional revenues as ancillary taxes.

The additional revenues include all the items below and then some:

- real property tax revenues
- personnel property tax revenues
- motor vehicle tax revenues
- oil and gas production tax revenues
- aircraft registration tax revenues
- light vehicle licenses fees
- motorcycle fees
- penalties and interest on unpaid tax bills

Darlene notes that Norm Klein, Fiscal Manager, Accounting & Management Systems Section of the Local Government Assistance Division of the Department of Commerce is a good source for this type of information. Norm is the gentleman who did the budgeting workshop for us at MLA a few years back. Norm would probably be able to assist you in navigating further through these tax vs. fee areas. His email is [nklein@state.mt.us](mailto:nklein@state.mt.us) and his telephone is 841-2909.

The final word on whether the trust agreement involved would be broken by the actions of the city will most likely lie in the hands of the legal entities that advise the trust officers. If the trust officers ultimately believe the trust agreement language includes these type of fees as taxes, then they may well have under the terms of the trust the authority to withhold the funds from the library. Any information that clarifies how the trust officers may view this proposed move by the city could have some impact on the city's pending decision regarding library funding.

Keep me posted.

Bob

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Tracking:	Recipient	Delivery
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