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July 31, 2015

Honorable Jason Dockter
State Representative
4443 Turnbow Lane
Bismarck, ND 58503-5814

Dear Representative Dockter:

This letter to you in your capacity as Chairman of the interim Political Subdivision Taxation Committee is to direct the committee to study the reciprocity agreement between North Dakota and Montana pertaining to the collection and payment of income tax.

In consideration of the increased cross-border employment of North Dakota and Montana residents in the western portion of the state, the revenue impacts that may be occurring as a result of such an agreement could potentially influence future determinations in regard to the state's policy on entering into reciprocal agreements. As the outcome of this analysis may directly affect income tax legislation proposed during the 2017 legislative session it is important for the interim Political Subdivision Taxation Committee to receive and analyze data related to this agreement and include in its report to the Legislative Management its findings on this topic.

Sincerely,

Senator Ray Holmberg
Chairman

RH/CAH

cc: Members of the Legislative Management
Members of the Political Subdivision Taxation Committee