

HOUSE BILL NO. 334
INTRODUCED BY SWYSGOOD

IN THE HOUSE

JANUARY 22, 1991 INTRODUCED AND REFERRED TO COMMITTEE
ON TAXATION.

 FIRST READING.

FEBRUARY 12, 1991 COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

FEBRUARY 13, 1991 PRINTING REPORT.

MARCH 5, 1991 SECOND READING, DO PASS.

MARCH 6, 1991 ENGROSSING REPORT.

MARCH 7, 1991 THIRD READING, PASSED.
AYES, 94; NOES, 2.

 TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 8, 1991 INTRODUCED AND REFERRED TO COMMITTEE
ON TAXATION.

 FIRST READING.

APRIL 10, 1991 COMMITTEE RECOMMEND BILL BE
CONCURRED IN AS AMENDED. REPORT
ADOPTED.

APRIL 15, 1991 SECOND READING, CONCURRED IN AS
AMENDED. COMMITTEE AMENDMENTS STRICKEN.
BILL UNAMENDED.

APRIL 16, 1991 THIRD READING, CONCURRED IN.
AYES, 44; NOES, 5.

 RETURNED TO HOUSE.

IN THE HOUSE

APRIL 16, 1991 RECEIVED FROM SENATE.

 SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

House BILL NO. 334

INTRODUCED BY Swygood

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE TAXATION OF CERTAIN LIVESTOCK; ALLOWING A LIVESTOCK OWNER TO ELECT TO BE TAXED ON A PRORATED BASIS FOR LIVESTOCK MOVED INTERSTATE DURING THE TAX YEAR; PROVIDING FOR A REFUND OF PROPERTY TAXES PAID ON LIVESTOCK FOR A PERIOD LONGER THAN THE ACTUAL NUMBER OF DAYS THE LIVESTOCK ARE IN THE STATE; PROVIDING FOR AN ADDITIONAL ASSESSMENT OF TAXES ON LIVESTOCK FOR A PERIOD SHORTER THAN THE ACTUAL NUMBER OF DAYS THE LIVESTOCK ARE IN THE STATE; PROVIDING FOR A REFUND OF THE PER CAPITA LEVY FOR LIVESTOCK MOVED OUT OF STATE; AMENDING SECTIONS 15-24-922 AND 15-24-926, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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

NEW SECTION. Section 1. Election for proration of tax

on livestock -- refunds -- additional assessment. (1) An owner of livestock who moves his livestock interstate may elect to have his nonexempt livestock taxed on a prorated basis.

(2) The owner shall file his election with the county assessor:

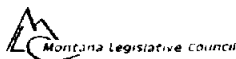
(a) on the statement required in 15-24-903; or

(b) if his livestock have taxable situs in the state before March 1, on a form prescribed by the department. The statement must indicate the number of days the owner's livestock will be in the state.

(3) If a livestock owner elects to be taxed on a prorated basis, the tax on livestock that are moved interstate must be prorated according to the ratio of the number of days the livestock have taxable situs in the county to the total number of days in the taxable year. Livestock must be prorated as provided in this section regardless of when the livestock gain taxable situs in the county during the taxable year.

(4) Subject to the provisions of 15-16-601, a taxpayer whose nonexempt livestock are assessed under subsection (3) for a period longer than the actual number of days that the livestock have taxable situs in the state is entitled to a refund. The amount of the refund is equal to the ratio of the number of days the livestock have taxable situs in the state to the number of days the livestock were taxed, multiplied by the original tax due. A taxpayer shall apply for a refund allowed under this subsection by January 31 following the year of assessment. The application must include a statement showing the date when the livestock were moved out of the state.

(5) A taxpayer whose nonexempt livestock are assessed



-2- INTRODUCED BILL
HB 334

1 under subsection (3) for a period shorter than the actual
2 number of days that the livestock have taxable situs is
3 subject to additional taxes for the number of additional
4 days that the livestock has taxable situs in the state.

5 **Section 2.** Section 15-24-922, MCA, is amended to read:

6 **"15-24-922. Board of livestock to prescribe per capita**
7 **levy -- refunds.** (1) The board of livestock shall annually
8 prescribe the amount of the per capita levy to be made
9 against livestock of all classes for the purpose indicated
10 in 15-24-921.

11 (2) The per capita tax levy must be calculated each
12 year to provide not more than 110% of the average annual
13 revenue that was generated in the 3 previous years,
14 beginning with revenue generated by 81-7-104 and this
15 section in the taxable years 1985, 1986, and 1987. The
16 calculation shall apply a reasonable factor for nonpayment
17 and late payment of taxes and for reimbursement to the
18 counties pursuant to 15-24-925 for collection of the levy.

19 (3) (a) A livestock owner taxed under [section 1] is
20 entitled to a refund of the per capita levy collected under
21 15-24-921 based on the number of days the livestock have
22 taxable situs in the state. The amount of the refund is
23 equal to the ratio of the number of days the livestock have
24 taxable situs in the state to the number of days in the tax
25 year, multiplied by the original per capita levy due. A

1 taxpayer shall apply to the board of livestock on a form
2 prescribed by the board for a refund allowed under this
3 subsection by January 31 following the taxable year. The
4 application must include a statement showing the date when
5 the livestock were moved out of the state.

6 (b) For the purposes of 15-24-921 and this section, the
7 per capita levy may not be prorated."

8 **Section 3.** Section 15-24-926, MCA, is amended to read:

9 **"15-24-926. Livestock reserve fund.** (1) The county
10 treasurer may, at the discretion of the county governing
11 body, deposit up to 5% of the property tax collected each
12 year on livestock assessed on the average inventory basis or
13 taxed on a prorated basis as provided in [section 1] in a
14 livestock reserve fund.

15 (2) Refunds for overpayment of property tax on
16 livestock ~~shall~~ must be issued from this fund.

17 (3) When the amount in a livestock reserve fund exceeds
18 10% of the total property tax collected in a year on
19 livestock assessed on the average inventory basis or taxed
20 on a prorated basis as provided in [section 1], the excess
21 funds ~~shall~~ must be transferred to the county general fund
22 and included in the next year's county budget."

23 **NEW SECTION. Section 4. Codification instruction.**

24 [Section 1] is intended to be codified as an integral part
25 of Title 15, chapter 24, part 9, and the provisions of Title

LC 0437/01

1 15, chapter 24, part 9, apply to [section 1].

2 NEW SECTION. **Section 5.** Retroactive applicability.

3 [This act] applies retroactively, within the meaning of
4 1-2-109, to taxable years beginning after December 31, 1990.

5 NEW SECTION. **Section 6.** Effective date. [This act] is

6 effective on passage and approval.

-End-

STATE OF MONTANA - FISCAL NOTE
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0334, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act revising the taxation of certain livestock; allowing a livestock owner to elect to be taxed on a prorated basis for livestock moved interstate during the tax year; providing for a refund of property taxes paid on livestock for a period longer than the actual number of days the livestock are in the state; providing for an additional assessment of taxes on livestock for a period shorter than the actual number of days the livestock are in the state; providing for a refund of the per capita levy for livestock moved out of state; and providing an immediate effective date and a retroactive applicability date.

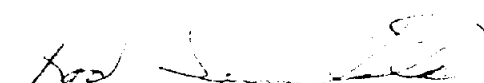
FISCAL IMPACT:

Current law allows a limited proration of tax for all migratory personal property (including livestock). Currently, the tax on personal property entering the state must be prorated according to the ratio which the remaining number of months in the year bears to the total number of months in the year (15-24-303, MCA). The proposal would distinguish livestock from other personal property in allowing the tax on livestock that leaves the state to be prorated.

The proposal will reduce local property tax and per capita tax revenues; however, the department does not have adequate information with which to estimate the extent of revenue loss due to the proposal.

TECHNICAL NOTES:

The refund formula provided in Section 1 (4) and in Section 2 (3)(a) is inaccurate. As currently written, the formula calculates the prorated tax due, not the refund amount.



ROD SUNDSTED, BUDGET DIRECTOR DATE
Office of Budget and Program Planning



CHARLES SWYSGOOD, PRIMARY SPONSOR DATE

Fiscal Note for HB0334, as introduced

2-5-91

HB 334

APPROVED BY COMMITTEE
ON TAXATION

HOUSE BILL NO. 334

INTRODUCED BY SWYSGOOD

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2 OF CERTAIN LIVESTOCK; ALLOWING A LIVESTOCK OWNER TO ELECT TO
3 BE TAXED ON A PRORATED BASIS FOR LIVESTOCK MOVED INTERSTATE
4 DURING THE TAX YEAR; PROVIDING FOR A REFUND OF PROPERTY
5 TAXES PAID ON LIVESTOCK FOR A PERIOD LONGER THAN THE ACTUAL
6 NUMBER OF DAYS MONTHS THE LIVESTOCK ARE IN THE STATE;
7 PROVIDING FOR AN ADDITIONAL ASSESSMENT OF TAXES ON LIVESTOCK
8 FOR ~~A--PERIOD--SHORTER--THAN~~ THE ACTUAL NUMBER OF DAYS MONTHS
9 THE LIVESTOCK ARE IN THE STATE; PROVIDING FOR A REFUND OF
10 THE PER CAPITA LEVY FOR LIVESTOCK MOVED OUT OF STATE;
11 EXPANDING THE DEFINITION OF LIVESTOCK TO INCLUDE LLAMAS,
12 DOMESTIC BISON, AND DOMESTIC UNGULATES; AMENDING SECTIONS
13 15-24-921, 15-24-922, AND 15-24-926, MCA; AND PROVIDING AN
14 IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY
15 DATE."

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

16 NEW SECTION. Section 1. Election for proration of tax
17 on livestock -- refunds -- additional assessment. (1) An
18 owner of livestock who moves his livestock interstate may
19 elect to have his nonexempt livestock taxed on a prorated
20 basis.

1 (2) The owner shall file his election with the county
2 assessor:

3 (a) on the statement required in 15-24-903; or

4 (b) if his livestock have taxable situs in the state
5 before March 1, on a form prescribed by the department. The
6 statement must indicate the number of days MONTHS the
7 owner's livestock will be in the state.

8 (3) If a livestock owner elects to be taxed on a
9 prorated basis, the tax on livestock that are moved
10 interstate must be prorated according to the ratio of the
11 number of days MONTHS the livestock have taxable situs in
12 the county to the total number of days MONTHS in the taxable
13 year. Livestock must be prorated as provided in this section
14 regardless of when the livestock gain taxable situs in the
15 county during the taxable year.

16 (4) Subject to the provisions of 15-16-601, a taxpayer
17 whose nonexempt livestock are assessed under subsection (3)
18 for a period longer than the actual number of days MONTHS
19 that the livestock have taxable situs in the state is
20 entitled to a refund. The amount of the refund is equal to
21 ~~the ratio-of-the-number-of-days-the-livestock--have--taxable~~
22 ~~situs--in-the-state-to-the-number-of-days-the-livestock-were~~
23 ~~taxed--multiplied-by-the-original-tax-due~~ DIFFERENCE BETWEEN
24 THE ORIGINAL PRORATED AMOUNT PAID AND THE SUBSEQUENT AMOUNT
25 OWED AFTER THE ACTUAL NUMBER OF TAX SITUS MONTHS ARE

SECOND READING

1 DETERMINED AT THE END OF THE TAX YEAR. A taxpayer shall
2 apply for a refund allowed under this subsection by January
3 31 following the year of assessment. The application must
4 include a statement showing the date when the livestock were
5 moved out of the state.

6 (5) A taxpayer whose nonexempt livestock are assessed
7 under subsection (3) for a period shorter than the actual
8 number of days MONTHS that the livestock have taxable situs
9 is subject to additional taxes for the number of additional
10 days MONTHS that the livestock has taxable situs in the
11 state.

12 **SECTION 2. SECTION 15-24-921, MCA, IS AMENDED TO READ:**

13 "15-24-921. Per capita tax levy to pay expenses of
14 enforcing livestock laws. (1) In addition to appropriations
15 made for such purposes, a per capita tax is hereby
16 authorized and directed to be levied by the county assessor
17 on all poultry and bees, all swine 3 months of age or older,
18 and all other livestock 9 months of age or older in each
19 county of this state for the purpose of aiding in the
20 payment of the salaries and all expenses connected with the
21 enforcement of the livestock laws of the state and for the
22 payment of bounties on wild animals as hereinafter
23 specified.

24 (2) As used in this section, "livestock" means cattle,
25 sheep, swine, poultry, bees, goats, horses, mules, and

1 asses, llamas, domestic bison, and domestic ungulates."

2 **Section 3. Section 15-24-922, MCA, is amended to read:**

3 "15-24-922. Board of livestock to prescribe per capita
4 levy -- refunds. (1) The board of livestock shall annually
5 prescribe the amount of the per capita levy to be made
6 against livestock of all classes for the purpose indicated
7 in 15-24-921.

8 (2) The per capita tax levy must be calculated each
9 year to provide not more than 110% of the average annual
10 revenue that was generated in the 3 previous years,
11 beginning with revenue generated by 81-7-104 and this
12 section in the taxable years 1985, 1986, and 1987. The
13 calculation shall apply a reasonable factor for nonpayment
14 and late payment of taxes and for reimbursement to the
15 counties pursuant to 15-24-925 for collection of the levy.

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17 entitled to a refund of the per capita levy collected under
18 15-24-921 based on the number of days MONTHS the livestock
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20 equal to the ratio of the number of days MONTHS the
21 livestock DO NOT have taxable situs in the state to the
22 number of days MONTHS in the tax year, multiplied by the
23 original per capita levy due. A taxpayer shall apply to the
24 board of livestock on a form prescribed by the board for a
25 refund allowed under this subsection by January 31 following

1 the taxable year. The application must include a statement
 2 showing the date when the livestock were moved out of the
 3 state.

4 (b) For the purposes of 15-24-921 and this section, the
 5 per capita levy may not be prorated."

6 **Section 4.** Section 15-24-926, MCA, is amended to read:

7 "15-24-926. Livestock reserve fund. (1) The county
 8 treasurer may, at the discretion of the county governing
 9 body, deposit up to 5% of the property tax collected each
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 14 livestock ~~shall~~ must be issued from this fund.

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 16 10% of the total property tax collected in a year on
 17 livestock ~~assessed-on-the-average-inventory-basis or~~ ~~taxed~~
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 19 the excess funds ~~shall~~ must be transferred to the county
 20 general fund and included in the next year's county budget."

21 **NEW SECTION. Section 5.** Codification instruction.
 22 [Section 1] is intended to be codified as an integral part
 23 of Title 15, chapter 24, part 9, and the provisions of Title
 24 15, chapter 24, part 9, apply to [section 1].

25 **NEW SECTION. Section 6.** Retroactive applicability.

1 [This act] applies retroactively, within the meaning of
 2 1-2-109, to taxable years beginning after December 31, 1990.

3 **NEW SECTION. Section 7.** Effective date. [This act] is
 4 effective on passage and approval.

-End-

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THIRD READING

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 25 refund allowed under this subsection by January 31 following

1 the taxable year. The application must include a statement
2 showing the date when the livestock were moved out of the
3 state.

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22 [Section 1] is intended to be codified as an integral part
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1 [This act] applies retroactively, within the meaning of
2 1-2-109, to taxable years beginning after December 31, 1990.
3 **NEW SECTION. Section 7.** Effective date. [This act] is
4 effective on passage and approval.

-End-

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 9, 1991

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 334 (third reading copy -- blue), respectfully report that House Bill No. 334 be amended and as so amended be concurred in:

1. Title, line 4.

Following: "THE"

Insert: "PER CAPITA"

2. Title, lines 5 through 13.

Strike: ";" on line 5 through "STATE;" on line 13

Insert: "BY"

3. Title, line 15.

Strike: "SECTIONS"

Insert: "SECTION"

4. Title, line 16.

Strike: "15-24-922, AND 15-24-926,"

5. Page 1, line 21 through page 3, line 11.

Strike: section 1 in its entirety

Renumber: subsequent sections

6. Page 4, line 2 through page 5, line 24.

Strike: sections 3 through 5 in their entirety

Renumber: subsequent sections

Signed:


Mike Halligan, Chairman

LB 4/9/91
Amd. Cobrd.

SB 4/10 11:30
Sec. of Senate

SENATE
HB 334

SENATE COMMITTEE OF THE WHOLE AMENDMENT

April 15, 1991 10:23 am

Mr. Chairman: I move to amend House Bill No. 334 (third reading copy -- blue) as follows:

Amend Senate Taxation Committee on Taxation amendment dated April 9, 1991, as follows:

Strike amendments 1 through 6 in their entirety

ADOPT

REJECT

Signed: _____



Senator Harp

4-15-91
Amd. Coord.

SRB 4/15
Sec. of Senate

SENATE
HB 334

1 HOUSE BILL NO. 334
 2 INTRODUCED BY SWYSGOOD
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 6 ELECT TO BE TAXED ON A PRORATED BASIS FOR LIVESTOCK MOVED
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 10 STATE; PROVIDING FOR AN ADDITIONAL ASSESSMENT OF TAXES ON
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 14 STATE; BY; ALLOWING A LIVESTOCK OWNER TO ELECT TO BE TAXED
 15 ON A PRORATED BASIS FOR LIVESTOCK MOVED INTERSTATE DURING
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 25 15-24-921, 15-24-922, AND 15-24-926, 15-24-922, AND

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 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
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 24 county during the taxable year.
 25 (4) Subject to the provisions of 15-16-601, a taxpayer



1 ~~whose nonexempt livestock are assessed under subsection (3)~~
 2 ~~for a period longer than the actual number of days MONTHS~~
 3 ~~that the livestock have taxable situs in the state is~~
 4 ~~entitled to a refund. The amount of the refund is equal to~~
 5 ~~the ratio of the number of days the livestock have taxable~~
 6 ~~situs in the state to the number of days the livestock were~~
 7 ~~taxed, multiplied by the original tax due DIFFERENCE BETWEEN~~
 8 ~~THE ORIGINAL PRORATED AMOUNT PAID AND THE SUBSEQUENT AMOUNT~~
 9 ~~OWED AFTER THE ACTUAL NUMBER OF TAX SITUS MONTHS ARE~~
 10 ~~DETERMINED AT THE END OF THE TAX YEAR. A taxpayer shall~~
 11 ~~apply for a refund allowed under this subsection by January~~
 12 ~~31 following the year of assessment. The application must~~
 13 ~~include a statement showing the date when the livestock were~~
 14 ~~moved out of the state.~~

15 ~~(5) A taxpayer whose nonexempt livestock are assessed~~
 16 ~~under subsection (3) for a period shorter than the actual~~
 17 ~~number of days MONTHS that the livestock have taxable situs~~
 18 ~~is subject to additional taxes for the number of additional~~
 19 ~~days MONTHS that the livestock has taxable situs in the~~
 20 ~~state.~~

21 NEW SECTION. SECTION 1. ELECTION FOR PRORATION OF TAX
 22 ON LIVESTOCK -- REFUNDS -- ADDITIONAL ASSESSMENT. (1) AN
 23 OWNER OF LIVESTOCK WHO MOVES HIS LIVESTOCK INTERSTATE MAY
 24 ELECT TO HAVE HIS NONEXEMPT LIVESTOCK TAXED ON A PRORATED
 25 BASIS.

1 (2) THE OWNER SHALL FILE HIS ELECTION WITH THE COUNTY
 2 ASSESSOR:

3 (A) ON THE STATEMENT REQUIRED IN 15-24-903; OR
 4 (B) IF HIS LIVESTOCK HAVE TAXABLE SITUS IN THE STATE
 5 BEFORE MARCH 1, ON A FORM PRESCRIBED BY THE DEPARTMENT. THE
 6 STATEMENT MUST INDICATE THE NUMBER OF DAYS MONTHS THE
 7 OWNER'S LIVESTOCK WILL BE IN THE STATE.

8 (3) IF A LIVESTOCK OWNER ELECTS TO BE TAXED ON A
 9 PRORATED BASIS, THE TAX ON LIVESTOCK THAT ARE MOVED
 10 INTERSTATE MUST BE PRORATED ACCORDING TO THE RATIO OF THE
 11 NUMBER OF DAYS MONTHS THE LIVESTOCK HAVE TAXABLE SITUS IN
 12 THE COUNTY TO THE TOTAL NUMBER OF DAYS MONTHS IN THE TAXABLE
 13 YEAR. LIVESTOCK MUST BE PRORATED AS PROVIDED IN THIS SECTION
 14 REGARDLESS OF WHEN THE LIVESTOCK GAIN TAXABLE SITUS IN THE
 15 COUNTY DURING THE TAXABLE YEAR.

16 (4) SUBJECT TO THE PROVISIONS OF 15-16-601, A TAXPAYER
 17 WHOSE NONEXEMPT LIVESTOCK ARE ASSESSED UNDER SUBSECTION (3)
 18 FOR A PERIOD LONGER THAN THE ACTUAL NUMBER OF DAYS MONTHS
 19 THAT THE LIVESTOCK HAVE TAXABLE SITUS IN THE STATE IS
 20 ENTITLED TO A REFUND. THE AMOUNT OF THE REFUND IS EQUAL TO
 21 THE RATIO OF THE NUMBER OF DAYS THE LIVESTOCK HAVE TAXABLE
 22 SITUS IN THE STATE TO THE NUMBER OF DAYS THE LIVESTOCK WERE
 23 TAXED, MULTIPLIED BY THE ORIGINAL TAX DUE DIFFERENCE BETWEEN
 24 THE ORIGINAL PRORATED AMOUNT PAID AND THE SUBSEQUENT AMOUNT
 25 OWED AFTER THE ACTUAL NUMBER OF TAX SITUS MONTHS ARE

1 DETERMINED AT THE END OF THE TAX YEAR. A TAXPAYER SHALL
 2 APPLY FOR A REFUND ALLOWED UNDER THIS SUBSECTION BY JANUARY
 3 31 FOLLOWING THE YEAR OF ASSESSMENT. THE APPLICATION MUST
 4 INCLUDE A STATEMENT SHOWING THE DATE WHEN THE LIVESTOCK WERE
 5 MOVED OUT OF THE STATE.

6 (5) A TAXPAYER WHOSE NONEXEMPT LIVESTOCK ARE ASSESSED
 7 UNDER SUBSECTION (3) FOR A PERIOD SHORTER THAN THE ACTUAL
 8 NUMBER OF DAYS MONTHS THAT THE LIVESTOCK HAVE TAXABLE SITUS
 9 IS SUBJECT TO ADDITIONAL TAXES FOR THE NUMBER OF ADDITIONAL
 10 DAYS MONTHS THAT THE LIVESTOCK HAS TAXABLE SITUS IN THE
 11 STATE.

12 **SECTION 2. SECTION 15-24-921, MCA, IS AMENDED TO READ:**

13 "15-24-921. Per capita tax levy to pay expenses of
 14 enforcing livestock laws. (1) In addition to appropriations
 15 made for such purposes, a per capita tax is hereby
 16 authorized and directed to be levied by the county assessor
 17 on all poultry and bees, all swine 3 months of age or older,
 18 and all other livestock 9 months of age or older in each
 19 county of this state for the purpose of aiding in the
 20 payment of the salaries and all expenses connected with the
 21 enforcement of the livestock laws of the state and for the
 22 payment of bounties on wild animals as hereinafter
 23 specified.

24 (2) As used in this section, "livestock" means cattle,
 25 sheep, swine, poultry, bees, goats, horses, mules, and

1 asses, llamas, domestic bison, and domestic ungulates."

2 ~~Section 3--Section 15-24-922, MCA, is amended to read:~~
 3 ~~"15-24-922. Board of livestock to prescribe per capita~~
 4 ~~levy ---refunds; (1) The board of livestock shall annually~~
 5 ~~prescribe the amount of the per capita levy to be made~~
 6 ~~against livestock of all classes for the purpose indicated~~
 7 ~~in 15-24-921.~~

8 ~~(2) The per capita tax levy must be calculated each~~
 9 ~~year to provide not more than 110% of the average annual~~
 10 ~~revenue that was generated in the 3 previous years,~~
 11 ~~beginning with revenue generated by 81-7-104 and this~~
 12 ~~section in the taxable years 1985, 1986, and 1987. The~~
 13 ~~calculation shall apply a reasonable factor for nonpayment~~
 14 ~~and late payment of taxes and for reimbursement to the~~
 15 ~~counties pursuant to 15-24-925 for collection of the levy.~~

16 ~~(3) (a) A livestock owner taxed under {section 1} is~~
 17 ~~entitled to a refund of the per capita levy collected under~~
 18 ~~15-24-921 based on the number of days MONTHS the livestock~~
 19 ~~have taxable situs in the state. The amount of the refund is~~
 20 ~~equal to the ratio of the number of days MONTHS the~~
 21 ~~livestock DO NOT have taxable situs in the state to the~~
 22 ~~number of days MONTHS in the tax year, multiplied by the~~
 23 ~~original per capita levy due. A taxpayer shall apply to the~~
 24 ~~board of livestock on a form prescribed by the board for a~~
 25 ~~refund allowed under this subsection by January 31 following~~

1 ~~the taxable year. The application must include a statement~~
2 ~~showing the date when the livestock were moved out of the~~
3 ~~state.~~

4 ~~{b} For the purposes of 15-24-921 and this section, the~~
5 ~~per capita levy may not be prorated."~~

6 Section 4, Section 15-24-926, MCA, is amended to read:
7 "15-24-926. Livestock reserve fund. (1) The county
8 treasurer may, at the discretion of the county governing
9 body, deposit up to 5% of the property tax collected each
10 year on livestock assessed on the average inventory basis or
11 taxed EACH YEAR on a prorated basis as provided in section
12 11 in a livestock reserve fund.

13 (2) Refunds for overpayment of property tax on
14 livestock shall must be issued from this fund.

15 (3) When the amount in a livestock reserve fund exceeds
16 10% of the total property tax collected in a year on
17 livestock assessed on the average inventory basis or taxed
18 EACH YEAR on a prorated basis as provided in section 11,
19 the excess funds shall must be transferred to the county
20 general fund and included in the next year's county budget."

21 NEW SECTION. Section 5, Codification instruction
22 {Section 11} is intended to be codified as an integral part
23 of Title 15, chapter 24, part 9, and the provisions of Title
24 15, chapter 24, part 9, apply to {section 11}.

25 **SECTION 3. SECTION 15-24-922, MCA, IS AMENDED TO READ:**

1 "15-24-922. Board of livestock to prescribe per capita
2 levy -- refunds. (1) The board of livestock shall annually
3 prescribe the amount of the per capita levy to be made
4 against livestock of all classes for the purpose indicated
5 in 15-24-921.

6 (2) The per capita tax levy must be calculated each
7 year to provide not more than 110% of the average annual
8 revenue that was generated in the 3 previous years,
9 beginning with revenue generated by 81-7-104 and this
10 section in the taxable years 1985, 1986, and 1987. The
11 calculation shall apply a reasonable factor for nonpayment
12 and late payment of taxes and for reimbursement to the
13 counties pursuant to 15-24-925 for collection of the levy.

14 (3) (a) A livestock owner taxed under [section 1] is
15 entitled to a refund of the per capita levy collected under
16 15-24-921 based on the number of days MONTHS the livestock
17 have taxable situs in the state. The amount of the refund is
18 equal to the ratio of the number of days MONTHS the
19 livestock DO NOT have taxable situs in the state to the
20 number of days MONTHS in the tax year, multiplied by the
21 original per capita levy due. A taxpayer shall apply to the
22 board of livestock on a form prescribed by the board for a
23 refund allowed under this subsection by January 31 following
24 the taxable year. The application must include a statement
25 showing the date when the livestock were moved out of the

1 state.

2 (b) For the purposes of 15-24-921 and this section, the
3 per capita levy may not be prorated."

4 **SECTION 4. SECTION 15-24-926, MCA, IS AMENDED TO READ:**

5 **"15-24-926. Livestock reserve fund. (1) The county**
6 **treasurer may, at the discretion of the county governing**
7 **body, deposit up to 5% of the property tax collected each**
8 **year on livestock assessed-on-the-average-inventory-basis or**
9 **taxed EACH YEAR on a prorated basis as provided in [section**
10 **1] in a livestock reserve fund.**

11 **(2) Refunds for overpayment of property tax on**
12 **livestock shall must be issued from this fund.**

13 **(3) When the amount in a livestock reserve fund exceeds**
14 **10% of the total property tax collected in a year on**
15 **livestock assessed-on-the-average-inventory-basis or taxed**
16 **EACH YEAR on a prorated basis as provided in [section 1],**
17 **the excess funds shall must be transferred to the county**
18 **general fund and included in the next year's county budget."**

19 **NEW SECTION. SECTION 5. CODIFICATION INSTRUCTION.**

20 **[SECTION 1] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART**
21 **OF TITLE 15, CHAPTER 24, PART 9, AND THE PROVISIONS OF TITLE**
22 **15, CHAPTER 24, PART 9, APPLY TO [SECTION 1].**

23 **NEW SECTION. Section 6. Retroactive applicability.**

24 **[This act] applies retroactively, within the meaning of**
25 **1-2-109, to taxable years beginning after December 31, 1990.**

1 **NEW SECTION. Section 7. Effective date. [This act] is**

2 **effective on passage and approval.**

-End-