

INTRODUCED BY:

House Bill No. 534

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING CERTAIN UNDEVELOPED LAND OWNED BY A LOCAL ECONOMIC DEVELOPMENT ORGANIZATION TO QUALIFY AS AN INDUSTRIAL PARK FOR PROPERTY TAX PURPOSES; AND AMENDING SECTION 15-24-1901, MCA."

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

Section 1. Section 15-24-1901, MCA, is amended to read:

"15-24-1901. Definitions. Unless the context requires otherwise, the following definitions apply to this part:

(1) "Industrial park" means property zoned for light and heavy industry. The term includes fully developed or partially developed land and improvements and undeveloped land. The term also includes undeveloped land owned by a local economic development organization if the local economic development organization provides reasonable evidence and the governing body is satisfied that the property is suitable for development as an industrial park and that the local economic development organization will develop the land as an industrial park.

(2) "Local economic development organization" means a private, nonprofit organization whose primary purposes are to develop the economy of its area and to provide assistance to businesses in that area.

(3) "Port authority" means a port authority created under 7-14-1101 or 7-14-1102."

-END-



STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0534, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act allowing certain undeveloped land owned by a local economic development organization to qualify as an industrial park for property tax purposes.

ASSUMPTIONS:

1. Under the proposal, some property currently owned by a local economic development organization may be eligible for the industrial park tax exemption (15-24-1902, MCA). The department of revenue has no data available to make an estimate of the value of property that may be granted this exemption.

FISCAL IMPACT:

It is possible for the proposal to result in a slight decrease of property tax revenue. The decrease would depend on two factors; the value of undeveloped land owned by a local economic development organization currently taxed but under the proposal would be eligible for industrial park tax exemption, and the governing body of a county, consolidated government, or incorporated city or town approving the industrial park exemption and therefore exempting the property from the university, statewide equalization, and state assumption mill levies. Additional costs incurred with implementing the proposal could be absorbed within current funding levels

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

It is possible for the proposal to result in a slight decrease in property taxes for local governments. The decrease would depend on two factors; the value of undeveloped land owned by a local economic development organization currently taxed but under the proposal would be eligible for property tax exemption, and the local governing bodies granting the property tax exemption per 15-24-1902, MCA.

Dave Lewis 2-15-95
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Dan Harrington
DAN HARRINGTON, PRIMARY SPONSOR DATE
Fiscal Note for HB0534, as introduced

HB 534

1 House Bill No. 584
2 INTRODUCED BY Harriette Lynch Zilkha Jackson
3 Rep. Constance L. Fairbank

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16 organization provides reasonable evidence and the governing body is satisfied that the property is suitable
17 for development as an industrial park and that the local economic development organization will develop
18 the land as an industrial park.

19 (2) "Local economic development organization" means a private, nonprofit organization whose
20 primary purposes are to develop the economy of its area and to provide assistance to businesses in that
21 area.

22 (3) "Port authority" means a port authority created under 7-14-1101 or 7-14-1102."

23

-END-



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H6 534
SECOND READING

INTRODUCED BY Harold Lynch Ziegler Jackson
and Cecilia Villa Parikh
HOUSE BILL NO. 584

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- 1 -

H6 534

HOUSE BILL NO. 534

INTRODUCED BY HARRINGTON, LYNCH, QUILICI, JACOBSON, SHEA, COCCHIARELLA, PAVLOVICH

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