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*House* BILL NO. *241*  
INTRODUCED BY *Chalvarson*  
*by request of Revenue Department*

A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION 84-708.1, R.C.M. 1947, TO ALLOW THE DEPARTMENT OF REVENUE THE DISCRETION TO WAIVE THE ASSESSMENT OF PENALTIES FOR LATE FILING OF TAX STATEMENTS AND RETURNS AND THE LATE PAYMENT OF TAXES WHEN THE FILING AND PAYMENT ARE MADE WITHIN FIVE (5) DAYS OF THE TIME SPECIFIED FOR FILING AND PAYMENT."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
Section 1. Section 84-708.1, R.C.M. 1947, is amended to read as follows:  
"84-708.1. Powers and duties of the state department of revenue. (1) To annually assess the franchise, roadway, roadbeds, rails, and rolling stock, and all other property of all railroads, and the pole lines and rights of way and all other property of all telegraph and telephone lines, electric power and transmission lines, ditches, canals, and flumes, and other similar property, constituting a single and continuous property operated in more than one (1) county in the state, and to apportion such assessments to the counties in which such properties are located on a mileage basis, or in the case of telegraph or telephone microwave electronic equipment, which has no physical connection with

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the total system, but is an integral part of such system, apportion the valuation for assessment of such company in this state among the several counties of this state in such proportion as will fairly represent the valuation for assessment within each such county, utilizing commonly recognized methods of apportioning as shall be just and equitable, provided, however, that lots and parcels of real estate not included in right of way, with the buildings, structures, and improvements thereon, dams and power houses, depots, stations, shops, and other buildings, erected upon right of way, furniture, machinery, and other personal property, shall not be considered as a part of any such single and continuous property, but shall be considered as separate and distinct therefrom, and shall be assessed by the agent of the department of revenue in the county wherein they are situate.  
(2) To transmit to the county clerk of each county its apportionment of all assessments made by the department.  
(3) To adjust and equalize the valuation of taxable property among the several counties, and the different classes of taxable property in any county and in the several counties and between individual taxpayers; supervise and review the acts of agents of the department; change, increase or decrease valuations made by its agents; and exercise such authority and do all things necessary to

1 secure a fair, just and equitable valuation of all taxable  
2 property among counties between the different classes of  
3 property and between individual taxpayers.

4 (4) To have and exercise general supervision over the  
5 administration of the assessment and tax laws of the state,  
6 and over its agents and any officers of municipal  
7 corporations, having any duties to perform under any of the  
8 laws of this state relating to taxation to the end that all  
9 assessments of property be made relatively just and equal at  
10 true value in substantial compliance with law, and to  
11 supervise the administration of all revenue laws of the  
12 state and assist in their enforcement. Further, the state  
13 department of revenue is empowered to organize, and it shall  
14 be its duty to schedule and hold area schools within the  
15 state for appraisers and assessors as often as is deemed  
16 necessary in the judgment of the department and the costs of  
17 such appraisers and assessors attending shall be borne by  
18 the state. Further, the department shall determine if there  
19 is a need for a taxing, assessing, and appraising school,  
20 and such school shall be held, when deemed necessary. The  
21 department shall notify all assessors and appraisers at  
22 least six (6) months before such school is scheduled and it  
23 shall be the duty of all assessors and appraisers to attend  
24 and the cost of their attendance shall be borne by the  
25 state.

1 (5) To confer with, advise and direct officers of  
2 municipal corporations as to their duties, with respect to  
3 taxation, under the statutes of the state.

4 (6) To direct proceedings, actions and prosecutions to  
5 be instituted to enforce the laws relating to the penalties,  
6 liabilities and punishment of public officials and persons,  
7 or their agents, for failure or neglect to comply with the  
8 provisions of the statutes governing the revenue of the  
9 state or municipal corporations; and to cause complaints to  
10 be made against assessors and other public officers to the  
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12 official misconduct or neglect of duty.

13 (7) To require county attorneys to assist in the  
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17 assessment of property and other revenue laws, in their  
18 respective counties.

19 (8) To collect annually from the proper officers of  
20 the municipal corporations information as to the assessment  
21 of property, collection of taxes, receipts from licenses and  
22 other sources, the expenditure of public funds for all  
23 purposes, and such other information as may be needful and  
24 helpful in the work of the department in such form and upon  
25 such blanks as the department shall prescribe; and it shall

1 be the duty of all public officers so called upon to fill  
 2 out properly and return promptly to the department all  
 3 blanks so transmitted and in every way aid the department in  
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 14 other proper official of the municipality, a statement of  
 15 the expenses incurred by the department to secure the  
 16 necessary information. Within sixty (60) days after the  
 17 receipt by the municipality of the above statement, the same  
 18 shall be audited, as other claims of the municipal  
 19 corporation are audited and shall be paid into the state  
 20 treasury and if the same is not so paid the attorney general  
 21 shall institute an action, in the proper court, against the  
 22 municipality to recover the same.

23 The officers responsible for the furnishing of the  
 24 information collected pursuant to this section, shall be  
 25 jointly and severally liable for any loss the municipality

1 may suffer, through their delinquency; and no payment shall  
 2 be made to them for salary, or on any other account, until  
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-End-

Approved by Committee  
on Taxation

*House* BILL NO. *241*  
*Salverson*  
*By request of Revenue Department*

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*House* BILL NO. *241*  
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*by request of Revenue Department*

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March 6, 1975

SENATE COMMITTEE ON TAXATION

AMENDMENTS TO HOUSE BILL NO. 241

That House Bill No. 241, third reading, be amended as follows:

1. Amend title, line 9.  
Following: "PAYMENT"  
Insert: "; and providing an effective date"
2. Amend page 8, section 1, line 9.  
Following: line 9  
Insert: "Section 2. Effective date. This act is effective upon passage and approval."

## 1 HOUSE BILL NO. 241

2 INTRODUCED BY HALVORSON

3 (REQUESTED BY THE DEPARTMENT OF REVENUE)

4  
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION  
 6 84-708.1, R.C.M. 1947, TO ALLOW THE DEPARTMENT OF REVENUE  
 7 THE DISCRETION TO WAIVE THE ASSESSMENT OF PENALTIES FOR LATE  
 8 FILING OF TAX STATEMENTS AND RETURNS AND THE LATE PAYMENT OF  
 9 TAXES WHEN THE FILING AND PAYMENT ARE MADE WITHIN FIVE (5)  
 10 DAYS OF THE TIME SPECIFIED FOR FILING AND PAYMENT; AND  
 11 PROVIDING AN EFFECTIVE DATE."

12  
13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:14 Section 1. Section 84-708.1, R.C.M. 1947, is amended  
15 to read as follows:

16 "84-708.1. Powers and duties of the state department  
 17 of revenue. (1) To annually assess the franchise, roadway,  
 18 roadbeds, rails, and rolling stock, and all other property  
 19 of all railroads, and the pole lines and rights of way and  
 20 all other property of all telegraph and telephone lines,  
 21 electric power and transmission lines, ditches, canals, and  
 22 flumes, and other similar property, constituting a single  
 23 and continuous property operated in more than one (1) county  
 24 in the state, and to apportion such assessments to the  
 25 counties in which such properties are located on a mileage

1 basis, or in the case of telegraph or telephone microwave  
 2 electronic equipment, which has no physical connection with  
 3 the total system, but is an integral part of such system,  
 4 apportion the valuation for assessment of such company in  
 5 this state among the several counties of this state in such  
 6 proportion as will fairly represent the valuation for  
 7 assessment within each such county, utilizing commonly  
 8 recognized methods of apportioning as shall be just and  
 9 equitable, provided, however, that lots and parcels of real  
 10 estate not included in right of way, with the buildings,  
 11 structures, and improvements thereon, dams and power houses,  
 12 depots, stations, shops, and other buildings, erected upon  
 13 right of way, furniture, machinery, and other personal  
 14 property, shall not be considered as a part of any such  
 15 single and continuous property, but shall be considered as  
 16 separate and distinct therefrom, and shall be assessed by  
 17 the agent of the department of revenue in the county wherein  
 18 they are situate.

19 (2) To transmit to the county clerk of each county its  
 20 apportionment of all assessments made by the department.

21 (3) To adjust and equalize the valuation of taxable  
 22 property among the several counties, and the different  
 23 classes of taxable property in any county and in the several  
 24 counties and between individual taxpayers; supervise and  
 25 review the acts of agents of the department; change,

1 increase or decrease valuations made by its agents; and  
 2 exercise such authority and do all things necessary to  
 3 secure a fair, just and equitable valuation of all taxable  
 4 property among counties between the different classes of  
 5 property and between individual taxpayers.

6 (4) To have and exercise general supervision over the  
 7 administration of the assessment and tax laws of the state,  
 8 and over its agents and any officers of municipal  
 9 corporations, having any duties to perform under any of the  
 10 laws of this state relating to taxation to the end that all  
 11 assessments of property be made relatively just and equal at  
 12 true value in substantial compliance with law, and to  
 13 supervise the administration of all revenue laws of the  
 14 state and assist in their enforcement. Further, the state  
 15 department of revenue is empowered to organize, and it shall  
 16 be its duty to schedule and hold area schools within the  
 17 state for appraisers and assessors as often as is deemed  
 18 necessary in the judgment of the department and the costs of  
 19 such appraisers and assessors attending shall be borne by  
 20 the state. Further, the department shall determine if there  
 21 is a need for a taxing, assessing, and appraising school,  
 22 and such school shall be held, when deemed necessary. The  
 23 department shall notify all assessors and appraisers at  
 24 least six (6) months before such school is scheduled and it  
 25 shall be the duty of all assessors and appraisers to attend

1 and the cost of their attendance shall be borne by the  
 2 state.

3 (5) To confer with, advise and direct officers of  
 4 municipal corporations as to their duties, with respect to  
 5 taxation, under the statutes of the state.

6 (6) To direct proceedings, actions and prosecutions to  
 7 be instituted to enforce the laws relating to the penalties,  
 8 liabilities and punishment of public officials and persons,  
 9 or their agents, for failure or neglect to comply with the  
 10 provisions of the statutes governing the revenue of the  
 11 state or municipal corporations; and to cause complaints to  
 12 be made against assessors and other public officers to the  
 13 proper district court for their removal from office for  
 14 official misconduct or neglect of duty.

15 (7) To require county attorneys to assist in the  
 16 commencement and prosecution of actions and proceedings for  
 17 penalties, forfeitures, removals and punishment for  
 18 violations of the laws of the state in respect to the  
 19 assessment of property and other revenue laws, in their  
 20 respective counties.

21 (8) To collect annually from the proper officers of  
 22 the municipal corporations information as to the assessment  
 23 of property, collection of taxes, receipts from licenses and  
 24 other sources, the expenditure of public funds for all  
 25 purposes, and such other information as may be needful and

1 helpful in the work of the department in such form and upon  
 2 such blanks as the department shall prescribe; and it shall  
 3 be the duty of all public officers so called upon to fill  
 4 out properly and return promptly to the department all  
 5 blanks so transmitted and in every way aid the department in  
 6 its work; to examine the records of all municipal  
 7 corporations for such purposes as are deemed needful or  
 8 helpful by the department.

9 (9) In its discretion, to inspect and examine, or  
 10 cause an inspection and examination of the records of the  
 11 officers of any municipality, whenever such officer shall  
 12 have failed, neglected or refused to return properly the  
 13 information required by this section within the time set by  
 14 the department. Upon completion of such inspection and  
 15 examination the department shall transmit to the clerk, or  
 16 other proper official of the municipality, a statement of  
 17 the expenses incurred by the department to secure the  
 18 necessary information. Within sixty (60) days after the  
 19 receipt by the municipality of the above statement, the same  
 20 shall be audited, as other claims of the municipal  
 21 corporation are audited and shall be paid into the state  
 22 treasury and if the same is not so paid the attorney general  
 23 shall institute an action, in the proper court, against the  
 24 municipality to recover the same.

25 The officers responsible for the furnishing of the

1 information collected pursuant to this section, shall be  
 2 jointly and severally liable for any loss the municipality  
 3 may suffer, through their delinquency; and no payment shall  
 4 be made to them for salary, or on any other account, until  
 5 the cost of such inspection and examination as provided  
 6 above shall have been paid into the treasury, or to the  
 7 proper officers of such municipality. They shall also be  
 8 subject to such other fines and penalties as prescribed by  
 9 law.

10 (10) To require persons, as defined above, to furnish  
 11 information concerning their capital, funded or other debt,  
 12 current assets and liabilities, cost and value of property,  
 13 earnings, operating and other expenses, taxes and all other  
 14 facts which may enable the department to ascertain the value  
 15 of the relative burdens borne by all kinds of property and  
 16 occupations in the state.

17 (11) To summon witnesses to appear and give evidence,  
 18 and to produce records, books, papers and documents relating  
 19 to any matter which the department shall have authority to  
 20 investigate and determine.

21 (12) To cause the deposition of witnesses residing  
 22 within or without the state, or absent therefrom, to be  
 23 taken upon notice to the interested party, if any, in like  
 24 manner that depositions are taken in actions pending in the  
 25 district court, in any matter which the department shall



1 have authority to investigate and determine.

2 (13) To examine into all cases where evasion or  
 3 violation of the laws for taxation of property, proceeds,  
 4 occupation or business is alleged, complained of or  
 5 discovered, and to ascertain wherein existing laws are  
 6 ineffective or are improperly or negligently administered.

7 (14) To investigate the tax systems of other states  
 8 and countries and to formulate and recommend legislation for  
 9 the better administration of the fiscal laws so as to secure  
 10 just and equal taxation and improvement in the system of  
 11 taxation and the economical expenditure of public revenue in  
 12 the state.

13 (15) To consult and confer with the governor of the  
 14 state upon the subject of taxation, the administration of  
 15 the laws relating thereto and the progress of the work of  
 16 the department, and to furnish the governor such assistance  
 17 as he may require.

18 (16) To transmit to the governor and to each member of  
 19 the legislature twenty (20) days before the meeting of the  
 20 legislature, a report of the department, showing all the  
 21 taxable property of the state and the value of the same in  
 22 tabulated form, with recommendations for improvements in the  
 23 system of taxation, together with such measures as may be  
 24 formulated for the consideration of the legislature; and to  
 25 include therein a report showing the selling price of

1 gasoline at the wholesale level in prime market centers of  
 2 Montana and in surrounding states during the biennium, with  
 3 indexes tabulated at sufficient intervals to show the  
 4 comparative state price structures.

5 (17) In its discretion, to waive the assessment of  
 6 penalty for the late filing of any tax statement or return  
 7 required to be filed with the department when the filing is  
 8 done within five (5) days of the date specified for filing  
 9 the return or statement, and for the late payment of any tax  
 10 collected by the department when the payment is made within  
 11 five (5) days of the date specified for payment of the tax."

12 SECTION 2. EFFECTIVE DATE. THIS ACT IS EFFECTIVE UPON  
 13 PASSAGE AND APPROVAL.

-End-