

House BILL NO. *324* *Johnson*

INTRODUCED BY *William Linn Kummerblott*

Frank Rogers *Earl Halverson*
Anderson *Bengtson* *Hager* *Drewel* *Hagman*

A BILL FOR AN ACT ENTITLED: AN ACT TO AMEND SECTION
84-429.7, R.C.M. 1947, TO PROVIDE TAX INCENTIVE FOR
INTRODUCTION OF SPRINKLER IRRIGATION SYSTEMS TO NONIRRIGATED
FARM LANDS." *Stairmiller* *Boyer* *Boyer* *Kelly*
Stairmiller *Holly*

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

Section 1. Section 84-429.7, R.C.M. 1947, is amended
to read as follows:

"84-429.7. Classification and appraisal -- duties of
the department of revenue. (1) It is hereby made the duty
of the state department of revenue to accomplish the
following:

- a. The classification of all taxable lands.
- b. The appraisal of all taxable city and town lots.
- c. The appraisal of all taxable rural and urban
improvements.

A record thereof must be kept upon such maps, plats and
forms, and entered in such books of record as may be
prescribed by the state department of revenue. Such maps,
plats, forms and books of record shall be official records
of the state. A certified copy of all such records as may
be desired shall be furnished to the state department of

revenue.

It shall be the duty of the state department of revenue
to maintain current, the classification of all taxable lands
and appraisal of city and town lots, and rural and urban
improvements, as provided for herein.

(2) The department shall continue to assess, without
consideration of any increase in productivity resulting from
the introduction of a sprinkler type irrigation system, at
the current rate all nonirrigated farm land and nonirrigated
continuously cropped farm land for a period of five (5)
years after introduction to the land of a sprinkler type
irrigation system.

The records of this assessment shall be maintained in
the office of the agent of the department in each county of
this state and a copy sent to the department."

Section 2. Severability. If a part of this act is
invalid, all valid parts that are severable from the invalid
part remain in effect. If a part of this act is invalid in
one or more of its applications, the part remains in effect
in all valid applications that are severable from invalid
applications.

-End-

HB 324

STATE OF MONTANA

REQUEST NO. 108-75

FISCAL NOTE

Form BD-15

In compliance with a written request received January 29, 19 75, there is hereby submitted a Fiscal Note for House Bill 324 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.


Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to assess irrigated farm land at the same rate as nonirrigated farm land for five years after introduction to the land of a sprinkler type irrigation system.

FISCAL IMPACT:

HB 324 provides an incentive to irrigate land by providing that such action will not result in an increase in assessed value (and increased property taxes) for a period of five years. Introducing irrigation would normally result in an increase in productivity of the land, which, under current law, would increase the assessed value. However, if the incentive to irrigate land is not provided (if HB 324 is not enacted) nonirrigated land would most likely remain nonirrigated and would continue to be assessed at the lower current rate. In other words, if HB 324 is enacted, projected tax collections would not increase for at least five years. If HB 324 is not enacted, projected tax collections would not be affected.


BUDGET DIRECTOR
Office of Budget and Program Planning
Date: 2/1/75

Approved by Committee
on Taxation

House BILL NO. *324* *John E. Dwyer*

INTRODUCED BY *William Linn Kummerblott* *John*

Edgar Reardon *Casey Halverson*
Henderson *Bengtson* *Hager* *Duvel* *Vogel*

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Stairquiller *Doyle* *Sho-Kelly*
Shumell *Holly*

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(2) The department shall continue to assess, without
consideration of any increase in productivity resulting from
the introduction of a sprinkler type irrigation system, at
the current rate all nonirrigated farm land and nonirrigated
continuously cropped farm land for a period of five (5)
years after introduction to the land of a sprinkler type
irrigation system.

The records of this assessment shall be maintained in
the office of the agent of the department in each county of
this state and a copy sent to the department."

Section 2. Severability. If a part of this act is
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-End-

1 HOUSE BILL NO. 324

2 INTRODUCED BY WILLIAMS, LIEN, KUMMERFELDT, CERKE, JOHNSTON,
 3 LYNCH, FAGG, AAGESON, CASEY, HALVORSON, GUNDERSON,
 4 BENCTSON, HAGER, DRISCOLL, HAGEMAN, STAIGMILLER,
 5 DAY, SLOAN, KELLY, DUSSAULT, STOLTZ

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5 It shall be the duty of the state department of revenue
 6 to maintain current, the classification of all taxable lands
 7 and appraisal of city and town lots, and rural and urban
 8 improvements, as provided for herein.

9 (2) The department shall continue to assess, without
 10 consideration of any increase in productivity resulting from
 11 the introduction of a sprinkler type irrigation system, at
 12 the current rate all nonirrigated farm land and nonirrigated
 13 continuously cropped farm land for a period of ~~five (5)~~
 14 THREE (3) years after introduction to the land of a
 15 sprinkler type irrigation system.

16 The records of this assessment shall be maintained in
 17 the office of the agent of the department in each county of
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THREE (3) years after introduction to the land of a
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