

1 *Loyise* BILL NO. *559*  
 2 INTRODUCED BY *Salvarson*  
 3 *by request of Dept of Revenue*

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT ALL  
 5 TAXABLE LANDS, ALL TAXABLE CITY AND TOWN LOTS, AND ALL  
 6 TAXABLE RURAL AND URBAN IMPROVEMENTS BE CLASSIFIED OR  
 7 APPRAISED AT LEAST ONCE EVERY FIVE YEARS, AND THAT THE  
 8 FACTORS DETERMINING TIMBER AND TIMBERLAND VALUATION BE  
 9 REVIEWED AT LEAST ONCE EVERY FIVE YEARS; AMENDING SECTIONS  
 10 84-429.7, 84-429.11, AND 84-429.12, R.C.M. 1947."

11  
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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

15 "84-429.7. Classification and appraisal--duties of the  
 16 department of revenue. (1) It is hereby made the duty of  
 17 the state department of revenue to accomplish the following:

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

22 A record thereof must be kept upon such maps, plats and  
 23 forms, and entered in such books of record as may be  
 24 prescribed by the state department of revenue. Such maps,  
 25 plats, forms and books of record shall be official records

1 of the state. A certified copy of all such records as may be  
 2 desired shall be furnished to the state department of  
 3 revenue.

4 (2) It shall be the duty of the state department of  
 5 revenue to maintain current, the classification of all  
 6 taxable lands and appraisal of city and town lots, and rural  
 7 and urban improvements, as provided for herein, and to  
 8 conduct and carry out a continuing, planned program of  
 9 classification and appraisal, pursuant to such rules as the  
 10 department may prescribe, to the end that all such property  
 11 is classified or appraised at least once every five (5)  
 12 years. Accurate records shall be maintained indicating  
 13 every classification or appraisal date."

14 Section 2. Section 84-429.11, R.C.M. 1947, is amended  
 15 to read as follows:

16 "84-429.11. Notice of classification and appraisal to  
 17 owners--appeals--exception. It shall be the duty of the  
 18 department of revenue to cause to be mailed to each owner a  
 19 notice of the classification of the land owned by him and  
 20 the appraisal of the improvements thereon. If the owner of  
 21 any land and improvements be dissatisfied with the  
 22 classification of his land or the appraisal of the  
 23 improvements the department of revenue shall give reasonable  
 24 notice to such taxpayer of the time and place of hearing and  
 25 near any testimony or other evidence which the taxpayer may

1 desire to produce at such time and afford the opportunity to  
 2 other interested persons to produce evidence at such hearing  
 3 and thereafter the department of revenue shall determine the  
 4 true and correct classification of such land or appraisal of  
 5 such improvements and forthwith notify the taxpayer of their  
 6 determination and when so determined the land shall be  
 7 classified and improvements appraised in the manner ordered  
 8 by the department of revenue. If any property owner shall  
 9 feel aggrieved at the classification and/or the appraisal so  
 10 made by the department of revenue he shall have the right to  
 11 appeal to the county tax appeal board and then to the state  
 12 tax appeal board whose findings shall be final subject to  
 13 the right of review in the proper court or courts except  
 14 that a taxpayer may not appeal any reclassification or  
 15 reappraisal pursuant to this act on the ground that the  
 16 property of other taxpayers has not been reclassified or  
 17 reappraised for the same tax year."

18 Section 3. Section 84-429.12, R.C.M. 1947, is amended  
 19 to read as follows:

20 "84-429.12. Classification and appraisal--general and  
 21 uniform methods. It is hereby made the duty of the state  
 22 department of revenue to implement the provisions of this  
 23 act by providing:

24 1. For a general and uniform method of classifying  
 25 lands in the state of Montana for the purpose of securing an

1 equitable and uniform basis of assessment of said lands for  
 2 taxation purposes.

3 All lands shall be classified according to their use or  
 4 uses and graded within each class according to soil and  
 5 productive capacity. In such classification work, use shall  
 6 be made of soil surveys and maps and all other pertinent  
 7 available information. All lands must be classified by forty  
 8 (40) acre tracts or fractional lots.

9 All agricultural lands must be classified and appraised  
 10 as agricultural lands without regard to the best and highest  
 11 value use of adjacent or neighboring lands.

12 2. For a general and uniform method of appraising city  
 13 and town lots.

14 3. For a general and uniform method of appraising rural  
 15 and urban improvements.

16 4. For a general and uniform method of appraising  
 17 timberlands.

18 The factors used in determining timber and timberland  
 19 valuation shall be reviewed and made current at least once  
 20 every five (5) years."

-End-

STATE OF MONTANA

REQUEST NO. 174-75

FISCAL NOTE

Form BD-15<sup>®</sup>

In compliance with a written request received February 6, 19 75, there is hereby submitted a Fiscal Note for House Bill 559 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:

House Bill 559 provides that all taxable lands, all taxable city and town lots, and all taxable rural and urban improvements be classified or appraised at least once every 5 years, and that the factors determining timber and timberland valuation be reviewed at least once every five years; provides for an exception for taxpayers reclassification appeal.

CONCLUSION:

The Property Assessment Division of the Department of Revenue states that enactment of House Bill 559 will not alter current department operating procedures. The bill simply clarifies existing statutes and would have no impact on state expenditures.

  
BUDGET DIRECTOR  
Office of Budget and Program Planning  
Date: February 10, 1975

Approved by Committee  
on Taxation

HOUSE BILL NO. 559

INTRODUCED BY HALVORSON

(BY REQUEST OF DEPARTMENT OF REVENUE)

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT ALL TAXABLE LANDS, ALL TAXABLE CITY AND TOWN LOTS, AND ALL TAXABLE RURAL AND URBAN IMPROVEMENTS BE CLASSIFIED OR APPRAISED AT LEAST ONCE EVERY FIVE YEARS, AND THAT THE FACTORS DETERMINING TIMBER AND TIMBERLAND VALUATION BE REVIEWED AT LEAST ONCE EVERY FIVE YEARS; AMENDING SECTIONS 84-429.7, ~~84-429.11~~, AND 84-429.12, R.C.M. 1947."

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.

(2) 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, and to conduct and carry out a continuing, planned program of classification and appraisal, pursuant to such rules as the department may prescribe, to the end that all such property is classified or appraised at least once every five (5) years. Accurate records shall be maintained indicating every classification or appraisal date."

Section 2. Section 84-429.11, R.C.M. 1947, is amended to read as follows:

"84-429.11. Notice of classification and appraisal to owners--~~appeals--exception~~. It shall be the duty of the department of revenue to cause to be mailed to each owner a notice of the classification of the land owned by him and the appraisal of the improvements thereon. If the owner of any land and improvements be dissatisfied with the classification of his land or the appraisal of the improvements the department of revenue shall give reasonable notice to such taxpayer of the time and place of hearing and

1 hear any testimony or other evidence which the taxpayer may  
 2 desire to produce at such time and afford the opportunity to  
 3 other interested persons to produce evidence at such hearing  
 4 and thereafter the department of revenue shall determine the  
 5 true and correct classification of such land or appraisal of  
 6 such improvements and forthwith notify the taxpayer of their  
 7 determination and when so determined the land shall be  
 8 classified and improvements appraised in the manner ordered  
 9 by the department of revenue. If any property owner shall  
 10 feel aggrieved at the classification and/or the appraisal so  
 11 made by the department of revenue he shall have the right to  
 12 appeal to the county tax appeal board and then to the state  
 13 tax appeal board whose findings shall be final subject to  
 14 the right of review in the proper court or courts except  
 15 that a taxpayer may not appeal any reclassification or  
 16 reappraisal pursuant to this act on the ground that the  
 17 property of other taxpayers has not been reclassified or  
 18 reappraised for the same tax year."

19 Section 3. Section 84-429.12, R.C.M. 1947, is amended  
 20 to read as follows:

21 "84-429.12. Classification and appraisal--general and  
 22 uniform methods. It is hereby made the duty of the state  
 23 department of revenue to implement the provisions of this  
 24 act by providing:

25 1. For a general and uniform method of classifying

1 lands in the state of Montana for the purpose of securing an  
 2 equitable and uniform basis of assessment of said lands for  
 3 taxation purposes.

4 All lands shall be classified according to their use or  
 5 uses and graded within each class according to soil and  
 6 productive capacity. In such classification work, use shall  
 7 be made of soil surveys and maps and all other pertinent  
 8 available information. All lands must be classified by forty  
 9 (40) acre tracts or fractional lots.

10 All agricultural lands must be classified and appraised  
 11 as agricultural lands without regard to the best and highest  
 12 value use of adjacent or neighboring lands.

13 2. For a general and uniform method of appraising city  
 14 and town lots.

15 3. For a general and uniform method of appraising rural  
 16 and urban improvements.

17 4. For a general and uniform method of appraising  
 18 timberlands.

19 The factors used in determining timber and timberland  
 20 valuation shall be reviewed and made current at least once  
 21 every five (5) years."

-End-

## 1 HOUSE BILL NO. 559

2 INTRODUCED BY HALVORSON

3 (BY REQUEST OF DEPARTMENT OF REVENUE)

4  
5 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT ALL  
6 TAXABLE LANDS, ALL TAXABLE CITY AND TOWN LOTS, AND ALL  
7 TAXABLE RURAL AND URBAN IMPROVEMENTS BE CLASSIFIED OR  
8 APPRAISED AT LEAST ONCE EVERY FIVE YEARS, AND THAT THE  
9 FACTORS DETERMINING TIMBER AND TIMBERLAND VALUATION BE  
10 REVIEWED AT LEAST ONCE EVERY FIVE YEARS; AMENDING SECTIONS  
11 84-429.7, ~~84-429.11~~, AND 84-429.12, R.C.M. 1947."

12  
13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:14 Section 1. Section 84-429.7, R.C.M. 1947, is amended  
15 to read as follows:16 "84-429.7. Classification and appraisal--duties of the  
17 department of revenue. (1) It is hereby made the duty of  
18 the state department of revenue to accomplish the following:

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

23 A record thereof must be kept upon such maps, plats and  
24 forms, and entered in such books of record as may be  
25 prescribed by the state department of revenue. Such maps,

1 plats, forms and books of record shall be official records  
2 of the state. A certified copy of all such records as may be  
3 desired shall be furnished to the state department of  
4 revenue.

5 (2) It shall be the duty of the state department of  
6 revenue to maintain current, the classification of all  
7 taxable lands and appraisal of city and town lots, and rural  
8 and urban improvements, as provided for herein, and to  
9 conduct and carry out a continuing, planned program of  
10 classification and appraisal, pursuant to such rules as the  
11 department may prescribe, to the end that all such property  
12 is classified or appraised at least once every five (5)  
13 years. Accurate records shall be maintained indicating  
14 every classification or appraisal date."

15 Section 2. Section 84-429.11, R.C.M. 1947, is amended  
16 to read as follows:

17 "84-429.11. Notice of classification and appraisal to  
18 owners--appeals--exception. It shall be the duty of the  
19 department of revenue to cause to be mailed to each owner a  
20 notice of the classification of the land owned by him and  
21 the appraisal of the improvements thereon. If the owner of  
22 any land and improvements be dissatisfied with the  
23 classification of his land or the appraisal of the  
24 improvements the department of revenue shall give reasonable  
25 notice to such taxpayer of the time and place of hearing and

THIRD READING

1 hear any testimony or other evidence which the taxpayer may  
 2 desire to produce at such time and afford the opportunity to  
 3 other interested persons to produce evidence at such hearing  
 4 and thereafter the department of revenue shall determine the  
 5 true and correct classification of such land or appraisal of  
 6 such improvements and forthwith notify the taxpayer of their  
 7 determination and when so determined the land shall be  
 8 classified and improvements appraised in the manner ordered  
 9 by the department of revenue. If any property owner shall  
 10 feel aggrieved at the classification and/or the appraisal so  
 11 made by the department of revenue he shall have the right to  
 12 appeal to the county tax appeal board and then to the state  
 13 tax appeal board whose findings shall be final subject to  
 14 the right of review in the proper court or courts except  
 15 that a taxpayer may not appeal any reclassification or  
 16 reappraisal pursuant to this act on the ground that the  
 17 property of other taxpayers has not been reclassified or  
 18 reappraised for the same tax year."

19 Section 3. Section 84-429.12, R.C.M. 1947, is amended  
 20 to read as follows:

21 "84-429.12. Classification and appraisal--general and  
 22 uniform methods. It is hereby made the duty of the state  
 23 department of revenue to implement the provisions of this  
 24 act by providing:

25 1. For a general and uniform method of classifying

1 lands in the state of Montana for the purpose of securing an  
 2 equitable and uniform basis of assessment of said lands for  
 3 taxation purposes.

4 All lands shall be classified according to their use or  
 5 uses and graded within each class according to soil and  
 6 productive capacity. In such classification work, use shall  
 7 be made of soil surveys and maps and all other pertinent  
 8 available information. All lands must be classified by forty  
 9 (40) acre tracts or fractional lots.

10 All agricultural lands must be classified and appraised  
 11 as agricultural lands without regard to the best and highest  
 12 value use of adjacent or neighboring lands.

13 2. For a general and uniform method of appraising city  
 14 and town lots.

15 3. For a general and uniform method of appraising rural  
 16 and urban improvements.

17 4. For a general and uniform method of appraising  
 18 timberlands.

19 The factors used in determining timber and timberland  
 20 valuation shall be reviewed and made current at least once  
 21 every five (5) years."

-End-