

1 *Senate* BILL NO. *144*  
 2 INTRODUCED BY *Ronny Citroni Nancy Ferguson*  
 3 *Ronny*

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTIONS  
 5 84-1302, 84-1303, 84-1306 AND 84-1308, R.C.M. 1947, RELATING  
 6 TO THE STRIP COAL MINES LICENSE TAX; REPEALING SECTION  
 7 84-1309; AND PROVIDING AN EFFECTIVE DATE."

8  
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 84-1302, R.C.M. 1947, is amended to  
 11 read as follows:

12 "84-1302. Strip coal mines license tax--  
 13 amount--exemptions--testing of samples. (1) A person engaged  
 14 in or carrying on the business of strip coal mining, or  
 15 engaged in the business of working or operating a strip coal  
 16 mine or strip coal mining property from which marketable or  
 17 merchantable coal is extracted or produced by means of strip  
 18 mining, whether the person carries on the business or  
 19 engages in the work or operations as owner, lessee, trustee,  
 20 possessor, receiver, or in any other capacity, must for the  
 21 year 1921, and each year thereafter, when engaged in or  
 22 carrying on the business, work or operations, pay to the  
 23 state ~~treasurer~~ department of revenue, for the use and  
 24 benefit of the state of Montana, a license tax for engaging  
 25 in and carrying on the business, work and operations, in the

1 amounts listed in subsection (2) on marketable or  
 2 merchantable coal extracted or produced by means of strip  
 3 mining by a person in the state of Montana and shipped by  
 4 him during a year, or used by him for any purpose except in  
 5 connection with the operating of the strip coal mine or  
 6 mining property from which the coal was extracted or  
 7 produced by means of strip mining or delivered by him to  
 8 another person for shipment, sale, or use by the other  
 9 person; provided, however, that nothing in this act requires  
 10 laborers or employees, hired or employed, by a person to  
 11 mine coal, or to work in or about, or in connection with a  
 12 strip coal mine to pay license taxes, nor is work required  
 13 to be done in prospecting for, or in developing, or in  
 14 opening up a strip coal mine or strip coal mining property,  
 15 considered to be the carrying on of a strip coal mining  
 16 business, or the engaging in the business of working or  
 17 operating of a strip coal mine; provided, further, that if  
 18 during the work of developing or opening up a strip coal  
 19 mine or strip coal mining property, marketable or  
 20 merchantable coal is extracted or produced by means of strip  
 21 mining and sold, then this is considered the carrying on of  
 22 a strip coal mining business and the engaging in the  
 23 business of working and operating a strip coal mine.

24 (2) The license tax paid under subsection (1) of this  
 25 act is computed as follows:

1 (a) For each ton of coal having a British thermal unit  
2 (BTU) rating per pound of seven thousand (7,000) or less,  
3 twelve cents (\$.12) per ton.

4 (b) For each ton of coal having a BTU rating of seven  
5 thousand one (7,001) to eight thousand (8,000), twenty-two  
6 cents (\$.22) per ton.

7 (c) For each ton of coal having a BTU rating of eight  
8 thousand one (8,001) to nine thousand (9,000), thirty-four  
9 cents (\$.34) per ton.

10 (d) For each ton of coal having a BTU rating of nine  
11 thousand one (9,001) and up, forty cents (\$.40) per ton.

12 (3) The person paying such license tax shall be  
13 entitled to exempt annually from said license tax a total of  
14 five thousand (5,000) tons of coal, and such exemption may  
15 be applied all to one British thermal unit rating, or may be  
16 spread among the several ratings, but the total exemption  
17 may not exceed, in any case, five thousand (5,000) tons in  
18 any one year.

19 (4) The Montana state bureau of mines and geology  
20 (hereafter bureau) is designated as the testing agency for  
21 purposes of this act and is granted the right to promulgate  
22 rules and regulations to provide testing data required by  
23 this act. The rules and regulations promulgated under this  
24 act shall be structured to mutually protect the interest of  
25 the persons subject to the provisions of this act and the

1 state of Montana.

2 (5) A person subject to the provisions of this act  
3 shall on or before the first day of August of each calendar  
4 year submit to the bureau a sample of mine run "as is" coal  
5 from their coal production area. Additional sampling shall  
6 be required of the persons subject to this act at the  
7 request of the bureau.

8 (6) The bureau shall provide a form showing the results  
9 of the testing provided for under this act to the persons  
10 subject to this tax and the department of revenue prior to  
11 the first of September of each calendar year."

12 Section 2. Section 84-1303, R.C.M. 1947, is amended to  
13 read as follows:

14 "84-1303. Payment of annual license tax. Such annual  
15 license tax shall be paid in quarterly installments for the  
16 quarters ending, respectively, March 31st, June 30th,  
17 September 30th, and December 31st in each year, beginning  
18 with the quarter ending March 31, 1921, and the amount of  
19 the license tax due for each such quarter shall be paid to  
20 the state ~~treasurer~~ department of revenue within thirty  
21 (30) days after the end of each such quarter."

22 Section 3. Section 84-1306, R.C.M. 1947, is amended to  
23 read as follows:

24 "84-1306. Quarterly statements of mine  
25 operators--payment of license tax. Each and every such

1 person must, within thirty days after the quarter ending  
 2 March 31, 1921, and within thirty days after the end of each  
 3 following quarter, ~~make--out--in--duplicate,~~ prepare a  
 4 statement, on forms prescribed by the state department of  
 5 revenue, ~~and--deliver--to--the--state--treasurer,~~ a statement  
 6 showing the total number of tons, of two thousand pounds  
 7 each, of marketable or merchantable coal mined, extracted,  
 8 or produced by such person during such quarter, from all  
 9 coal mines or coal mining property worked or operated by  
 0 such person, and shipped by such person, or used by such  
 1 person for any purpose except in connection with the  
 2 operating of the mine or mining property from which the same  
 3 was mined, extracted or produced, or delivered by such  
 4 person to any other person for shipment, sale or use by such  
 5 other person, together with the total amount due to the  
 6 state as license tax for such quarter; and must within such  
 7 thirty days, and at the time of delivering such ~~duplicate~~  
 8 statement to the state ~~treasurer~~ department of revenue, pay  
 9 to the state treasurer the amount of the license tax shown  
 0 by such statement to be due to the state of Montana, for the  
 1 quarter for which such statement is made. ~~Such--statement~~  
 2 ~~must--be--signed--and--verified--by--the--oath--of--the--individual--or~~  
 3 ~~individuals--or--by--the--president--vice--president--treasurer~~  
 4 ~~assistant--treasurer--or--managing--agent--in--this--state--of--the~~  
 5 ~~association--joint--stock--company--or--corporation--making--the~~

1 ~~same.~~ Any person engaged in working or operating more than  
 2 one coal mine may include all coal mines worked or operated  
 3 by him in one statement. ~~The--state--treasurer--shall--file--one~~  
 4 ~~copy--of--such--statement--in--his--office--and--deliver--the--other~~  
 5 ~~copy--thereof--to--the--state--department--of--revenue.~~ The state  
 6 department of revenue may grant a reasonable extension of  
 7 time for filing statements and payment of taxes due upon  
 8 good cause shown therefor."

9 Section 4. Section 34-1308, R.C.M. 1947, is amended to  
 10 read as follows:

11 "34-1308. Procedure to determine tax--penalty--tax  
 12 lien. If any person shall fail, neglect or refuse to file  
 13 any statement required by section 34-1306, or shall fail to  
 14 make payment of such license tax within the time therein  
 15 required, the state department of revenue, shall,  
 16 immediately after such time has expired, proceed to inform  
 17 itself, as best it may, regarding the number of tons of  
 18 marketable or merchantable coal mined, extracted or produced  
 19 by such person, during such quarter and shipped or used by  
 20 such person, or delivered by such person to any other person  
 21 for shipment, sale or use by such other person, and shall  
 22 determine and fix the amount of the license taxes due to the  
 23 state from such person for such quarter, and--shall--make  
 24 out--a--statement--in--triplicate--showing--the--same--and--shall  
 25 add--to--the--amount--of--such--license--taxes--ten--per--centum

~~(10%) thereof as a penalty, and one of such statements shall~~  
~~be filed in the office of the county clerk and recorder of~~  
~~the county in which the coal was produced and one of such~~  
~~statements delivered to the state treasurer, who shall~~  
~~proceed to collect the amount of such license taxes, with~~  
~~the penalty added thereto and interest on the whole thereof,~~  
~~at the rate of eight per centum (8%) per annum from the date~~  
~~of making of such statement by the state department of~~  
~~revenue until paid. Upon request of the state treasurer, it~~  
~~shall be the duty of the attorney general or any county~~  
~~attorney to commence and prosecute to final determination~~  
~~in any court of competent jurisdiction, an action at law to~~  
~~collect the same. The state department of revenue shall add~~  
to the amount of all delinquent strip coal mining license  
taxes a penalty of ten percent (10%) of the amount of such  
license taxes plus interest at the rate of one percent (1%)  
per month or fraction thereof computed on the total amount  
of license taxes and penalty. Interest shall be computed  
from the date the license taxes were due to the date of  
payment. The state department of revenue shall mail to the  
person required to file a quarterly statement and pay any  
license tax, a letter setting forth the amount of license  
tax, penalty and interest due and may file a copy of such  
letter in the office of the county clerk and recorder of the  
county in which the coal was produced. It shall be the duty

of the attorney general or any county attorney to commence,  
and prosecute to final determination in any court of  
competent jurisdiction, an action at law to collect the  
total amount of license tax, penalty and interest due. The  
ten percent (10%) penalty herein provided may be waived by  
the state department of revenue if reasonable cause for the  
failure and neglect to file the statement required by  
section 84-1306 is provided to the said department.

The license tax assessed against any person under this  
 act, together with penalties and interest thereon, shall be  
 a lien upon any and all property owned by such person within  
 this state and upon the mine from which the coal was  
 produced, which lien shall attach on the date when ~~the~~  
~~license tax is certified to the state treasurer by~~ the state  
 department of revenue mails a letter assessing license tax,  
 penalty and interest and such lien may be enforced in the  
 name of the state of Montana, in the same manner as other  
 liens are enforced at law."

Section 5. Section 84-1309, R.C.M. 1947, is repealed.

Section 6. This act is effective on passage and  
 approval.

-End-

Approved by Committee  
on Taxation

SENATE BILL NO. 144

INTRODUCED BY ROMNEY, CETRONE, MANLEY, JERGSON, CONOVER

A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTIONS  
84-1302, 84-1303, 84-1306 AND 84-1308, R.C.M. 1947, RELATING  
TO THE STRIP COAL MINES LICENSE TAX; REPEALING SECTION  
84-1309, ~~AND PROVIDING AN EFFECTIVE DATE.~~"

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

Section 1. Section 84-1302, R.C.M. 1947, is amended to  
read as follows:

"84-1302. Strip coal mines license tax--  
amount--exemptions--testing of samples. (1) A person engaged  
in or carrying on the business of strip coal mining, or  
engaged in the business of working or operating a strip coal  
mine or strip coal mining property from which marketable or  
merchantable coal is extracted or produced by means of strip  
mining, whether the person carries on the business or  
engages in the work or operations as owner, lessee, trustee,  
possessor, receiver, or in any other capacity, must for the  
year 1921, and each year thereafter, when engaged in or  
carrying on the business, work or operations, pay to the  
state ~~treasurer~~ department of revenue, for the use and  
benefit of the state of Montana, a license tax for engaging  
in and carrying on the business, work and operations, in the

amounts listed in subsection (2) on marketable or  
merchantable coal extracted or produced by means of strip  
mining by a person in the state of Montana and shipped by  
him during a year, or used by him for any purpose except in  
connection with the operating of the strip coal mine or  
mining property from which the coal was extracted or  
produced by means of strip mining or delivered by him to  
another person for shipment, sale, or use by the other  
person; provided, however, that nothing in this act requires  
laborers or employees, hired or employed, by a person to  
mine coal, or to work in or about, or in connection with a  
strip coal mine to pay license taxes, nor is work required  
to be done in prospecting for, or in developing, or in  
opening up a strip coal mine or strip coal mining property,  
considered to be the carrying on of a strip coal mining  
business, or the engaging in the business of working or  
operating of a strip coal mine; provided, further, that if  
during the work of developing or opening up a strip coal  
mine or strip coal mining property, marketable or  
merchantable coal is extracted or produced by means of strip  
mining and sold, then this is considered the carrying on of  
a strip coal mining business and the engaging in the  
business of working and operating a strip coal mine.

(2) The license tax paid under subsection (1) of this  
act is computed as follows:

1 (a) For each ton of coal having a British thermal unit  
2 (BTU) rating per pound of seven thousand (7,000) or less,  
3 twelve cents (\$.12) per ton.

4 (b) For each ton of coal having a BTU rating of seven  
5 thousand one (7,001) to eight thousand (8,000), twenty-two  
6 cents (\$.22) per ton.

7 (c) For each ton of coal having a BTU rating of eight  
8 thousand one (8,001) to nine thousand (9,000), thirty-four  
9 cents (\$.34) per ton.

10 (d) For each ton of coal having a BTU rating of nine  
11 thousand one (9,001) and up, forty cents (\$.40) per ton.

12 (3) The person paying such license tax shall be  
13 entitled to exempt annually from said license tax a total of  
14 five thousand (5,000) tons of coal, and such exemption may  
15 be applied all to one British thermal unit rating, or may be  
16 spread among the several ratings, but the total exemption  
17 may not exceed, in any case, five thousand (5,000) tons in  
18 any one year.

19 (4) The Montana state bureau of mines and geology  
20 (hereafter bureau) is designated as the testing agency for  
21 purposes of this act and is granted the right to promulgate  
22 rules and regulations to provide testing data required by  
23 this act. The rules and regulations promulgated under this  
24 act shall be structured to mutually protect the interest of  
25 the persons subject to the provisions of this act and the

1 state of Montana.

2 (5) A person subject to the provisions of this act  
3 shall on or before the first day of August of each calendar  
4 year submit to the bureau a sample of mine run "as is" coal  
5 from their coal production area. Additional sampling shall  
6 be required of the persons subject to this act at the  
7 request of the bureau.

8 (6) The bureau shall provide a form showing the results  
9 of the testing provided for under this act to the persons  
10 subject to this tax and the department of revenue prior to  
11 the first of September of each calendar year."

12 Section 2. Section 84-1303, R.C.M. 1947, is amended to  
13 read as follows:

14 "84-1303. Payment of annual license tax. Such annual  
15 license tax shall be paid in quarterly installments for the  
16 quarters ending, respectively, March 31st, June 30th,  
17 September 30th, and December 31st in each year, beginning  
18 with the quarter ending March 31, 1921, and the amount of  
19 the license tax due for each such quarter shall be paid to  
20 the state ~~treasurer~~ department of revenue within thirty  
21 (30) days after the end of each such quarter."

22 Section 3. Section 84-1306, R.C.M. 1947, is amended to  
23 read as follows:

24 "84-1306. Quarterly statements of mine  
25 operators--payment of license tax. Each and every such

1 person must, within thirty days after the quarter ending  
 2 March 31, 1921, and within thirty days after the end of each  
 3 following quarter, ~~make-out, in duplicate,~~ prepare a  
 4 statement, on forms prescribed by the state department of  
 5 revenue, ~~and deliver to the state treasurer, a statement~~  
 6 showing the total number of tons, of two thousand pounds  
 7 each, of marketable or merchantable coal mined, extracted,  
 8 or produced by such person during such quarter, from all  
 9 coal mines or coal mining property worked or operated by  
 10 such person, and shipped by such person, or used by such  
 11 person for any purpose except in connection with the  
 12 operating of the mine or mining property from which the same  
 13 was mined, extracted or produced, or delivered by such  
 14 person to any other person for shipment, sale or use by such  
 15 other person, together with the total amount due to the  
 16 state as license tax for such quarter; and must within such  
 17 thirty days, and at the time of delivering such ~~duplicate~~  
 18 statement to the state ~~treasurer~~ department of revenue, pay  
 19 to the state treasurer the amount of the license tax shown  
 20 by such statement to be due to the state of Montana, for the  
 21 quarter for which such statement is made. ~~Such statement~~  
 22 ~~must be signed and verified by the oath of the individual or~~  
 23 ~~individuals, or by the president, vice-president, treasurer,~~  
 24 ~~assistant treasurer, or managing agent in this state, of the~~  
 25 ~~association, joint stock company, or corporation making the~~

1 ~~same.~~ Any person engaged in working or operating more than  
 2 one coal mine may include all coal mines worked or operated  
 3 by him in one statement. ~~The state treasurer shall file one~~  
 4 ~~copy of such statement in his office and deliver the other~~  
 5 ~~copy thereof to the state department of revenue. The state~~  
 6 department of revenue may grant a reasonable extension of  
 7 time for filing statements and payment of taxes due upon  
 8 good cause shown therefor."

9 Section 4. Section 84-1308, R.C.M. 1947, is amended to  
 10 read as follows:

11 "84-1308. Procedure to determine tax -- penalty ---tax  
 12 ~~lien.~~ If any person shall fail, neglect or refuse to file  
 13 any statement required by section 84-1306, or shall fail to  
 14 make payment of such license tax within the time therein  
 15 required, the state department of revenue, shall,  
 16 immediately after such time has expired, proceed to inform  
 17 itself, as best it may, regarding the number of tons of  
 18 marketable or merchantable coal mined, extracted or produced  
 19 by such person, during such quarter and shipped or used by  
 20 such person, or delivered by such person to any other person  
 21 for shipment, sale or use by such other person, and shall  
 22 determine and fix the amount of the license taxes due to the  
 23 state from such person for such quarter, ~~and shall make~~  
 24 ~~out a statement in triplicate, showing the same, and shall~~  
 25 ~~add to the amount of such license taxes, ten per centum~~

~~(10%) thereof as a penalty, and one of such statements shall~~  
~~be filed in the office of the county clerk and recorder of~~  
~~the county in which the coal was produced and one of such~~  
~~statements delivered to the state treasurer, who shall~~  
~~proceed to collect the amount of such license taxes, with~~  
~~the penalty added thereto and interest on the whole thereof~~  
~~at the rate of eight per centum (8%) per annum from the date~~  
~~of making of such statement by the state department of~~  
~~revenue until paid. Upon request of the state treasurer, it~~  
~~shall be the duty of the attorney general or any county~~  
~~attorney to commence and prosecute to final determination~~  
~~in any court of competent jurisdiction, an action at law to~~  
~~collect the same. The state department of revenue shall add~~  
~~to the amount of all delinquent strip coal mining license~~  
~~taxes a penalty of ten percent (10%) of the amount of such~~  
~~license taxes plus interest at the rate of one percent (1%)~~  
~~per month or fraction thereof computed on the total amount~~  
~~of license taxes and penalty. Interest shall be computed~~  
~~from the date the license taxes were due to the date of~~  
~~payment. The state department of revenue shall mail to the~~  
~~person required to file a quarterly statement and pay any~~  
~~license tax, a letter setting forth the amount of license~~  
~~tax, penalty and interest due and may file a copy of such~~  
~~letter in the office of the county clerk and recorder of the~~  
~~county in which the coal was produced. It shall be the duty~~

~~of the attorney general or any county attorney to commence,~~  
~~and prosecute to final determination in any court of~~  
~~competent jurisdiction, an action at law to collect the~~  
~~total amount of license tax, penalty and interest due AND~~  
~~THE LETTER SHALL FURTHER CONTAIN A STATEMENT THAT IF PAYMENT~~  
~~IS NOT MADE WITHIN SUCH TIME A LIEN MAY BE FILED AS SET~~  
~~FORTH IN [SECTION 4 HEREIN]. UPON RECEIPT OF SAID LETTER~~  
~~THE PERSON SHALL REMIT TO THE DEPARTMENT OF REVENUE THE FULL~~  
~~AMOUNT OF LICENSE TAX, PENALTY AND INTEREST DUE WITHIN~~  
~~FIFTEEN (15) DAYS. The ten percent (10%) penalty herein~~  
~~provided may be waived by the state department of revenue if~~  
~~reasonable cause for the failure and neglect to file the~~  
~~statement required by section 84-1306 is provided to the~~  
~~said department.~~

~~The license tax assessed against any person under this~~  
~~act, together with penalties and interest thereon, shall be~~  
~~a lien upon any and all property owned by such person within~~  
~~this state and upon the mine from which the coal was~~  
~~produced, which lien shall attach on the date when the~~  
~~license tax is certified to the state treasurer by the state~~  
~~department of revenue mails a letter assessing license tax,~~  
~~penalty and interest and such lien may be enforced in the~~  
~~name of the state of Montana, in the same manner as other~~  
~~liens are enforced at law."~~

SECTION 5. THERE IS A NEW R.C.M. SECTION THAT READS AS



1 FOLLOWS:

2 PROCEDURE FOR COLLECTION OF TAX. ALL TAX, PENALTY, AND  
3 INTEREST DUE FROM ANY PERSON UNDER THIS ACT SHALL BE A LIEN  
4 UPON ANY AND ALL REAL PROPERTY OF SUCH PERSON UPON THE  
5 FILING OF THE STATE DEPARTMENT OF REVENUE OF THE DUPLICATE  
6 OF THE STATEMENT SO MADE BY THE STATE DEPARTMENT OF REVENUE,  
7 OR A CERTIFIED COPY OF ANY STATEMENT FILED BY SAID  
8 DEPARTMENT IN THE OFFICE OF THE COUNTY CLERK IN THE COUNTY  
9 WHERE SUCH REAL PROPERTY IS SITUATED WHICH LIEN SHALL HAVE  
10 PRECEDENCE OVER ANY OTHER CLAIM, LIEN OR DEMAND THEREAFTER  
11 FILED AND RECORDED AND WHICH MAY BE ENFORCED IN THE NAME OF  
12 THE STATE OF MONTANA IN THE SAME MANNER AS JUDGMENT LIENS  
13 ARE ENFORCED AT LAW.

14 Section 6. Section 84-1309, R.C.M. 1947, is repealed.

15 ~~Section 6. This act is effective on passage and~~

16 ~~approval.~~

-End-

## SENATE BILL NO. 144

INTRODUCED BY ROMNEY, CETRONE, MANLEY, JERGESON, CONOVER

A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTIONS 84-1302, 84-1303, 84-1306 AND 84-1308, R.C.M. 1947, RELATING TO THE STRIP COAL MINES LICENSE TAX; REPEALING SECTION 84-1309, ~~AND PROVIDING AN EFFECTIVE DATE.~~"

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

Section 1. Section 84-1302, R.C.M. 1947, is amended to read as follows:

"84-1302. Strip coal mines license tax-- amount--exemptions--testing of samples. (1) A person engaged in or carrying on the business of strip coal mining, or engaged in the business of working or operating a strip coal mine or strip coal mining property from which marketable or merchantable coal is extracted or produced by means of strip mining, whether the person carries on the business or engages in the work or operations as owner, lessee, trustee, possessor, receiver, or in any other capacity, must for the year 1921, and each year thereafter, when engaged in or carrying on the business, work or operations, pay to the state treasurer department of revenue, for the use and benefit of the state of Montana, a license tax for engaging in and carrying on the business, work and operations, in the

amounts listed in subsection (2) on marketable or merchantable coal extracted or produced by means of strip mining by a person in the state of Montana and shipped by him during a year, or used by him for any purpose except in connection with the operating of the strip coal mine or mining property from which the coal was extracted or produced by means of strip mining or delivered by him to another person for shipment, sale, or use by the other person; provided, however, that nothing in this act requires laborers or employees, hired or employed, by a person to mine coal, or to work in or about, or in connection with a strip coal mine to pay license taxes, nor is work required to be done in prospecting for, or in developing, or in opening up a strip coal mine or strip coal mining property, considered to be the carrying on of a strip coal mining business, or the engaging in the business of working or operating of a strip coal mine; provided, further, that if during the work of developing or opening up a strip coal mine or strip coal mining property, marketable or merchantable coal is extracted or produced by means of strip mining and sold, then this is considered the carrying on of a strip coal mining business and the engaging in the business of working and operating a strip coal mine.

(2) The license tax paid under subsection (1) of this act is computed as follows:

THIRD READING

1 (a) For each ton of coal having a British thermal unit  
2 (BTU) rating per pound of seven thousand (7,000) or less,  
3 twelve cents (\$.12) per ton.

4 (b) For each ton of coal having a BTU rating of seven  
5 thousand one (7,001) to eight thousand (8,000), twenty-two  
6 cents (\$.22) per ton.

7 (c) For each ton of coal having a BTU rating of eight  
8 thousand one (8,001) to nine thousand (9,000), thirty-four  
9 cents (\$.34) per ton.

10 (d) For each ton of coal having a BTU rating of nine  
11 thousand one (9,001) and up, forty cents (\$.40) per ton.

12 (3) The person paying such license tax shall be  
13 entitled to exempt annually from said license tax a total of  
14 five thousand (5,000) tons of coal, and such exemption may  
15 be applied all to one British thermal unit rating, or may be  
16 spread among the several ratings, but the total exemption  
17 may not exceed, in any case, five thousand (5,000) tons in  
18 any one year.

19 (4) The Montana state bureau of mines and geology  
20 (hereafter bureau) is designated as the testing agency for  
21 purposes of this act and is granted the right to promulgate  
22 rules and regulations to provide testing data required by  
23 this act. The rules and regulations promulgated under this  
24 act shall be structured to mutually protect the interest of  
25 the persons subject to the provisions of this act and the

1 state of Montana.

2 (5) A person subject to the provisions of this act  
3 shall on or before the first day of August of each calendar  
4 year submit to the bureau a sample of mine run "as is" coal  
5 from their coal production area. Additional sampling shall  
6 be required of the persons subject to this act at the  
7 request of the bureau.

8 (6) The bureau shall provide a form showing the results  
9 of the testing provided for under this act to the persons  
10 subject to this tax and the department of revenue prior to  
11 the first of September of each calendar year."

12 Section 2. Section 84-1303, R.C.M. 1947, is amended to  
13 read as follows:

14 "84-1303. Payment of annual license tax. Such annual  
15 license tax shall be paid in quarterly installments for the  
16 quarters ending, respectively, March 31st, June 30th,  
17 September 30th, and December 31st in each year, beginning  
18 with the quarter ending March 31, 1921, and the amount of  
19 the license tax due for each such quarter shall be paid to  
20 the state ~~treasurer~~ department of revenue within thirty  
21 (30) days after the end of each such quarter."

22 Section 3. Section 84-1306, R.C.M. 1947, is amended to  
23 read as follows:

24 "84-1306. Quarterly statements of mine  
25 operators--payment of license tax. Each and every such

1 person must, within thirty days after the quarter ending  
 2 March 31, 1921, and within thirty days after the end of each  
 3 following quarter, ~~make--out,--in--duplicate,~~ prepare a  
 4 statement, on forms prescribed by the state department of  
 5 revenue, ~~and--deliver--to--the--state--treasurer,--a--statement~~  
 6 showing the total number of tons, of two thousand pounds  
 7 each, of marketable or merchantable coal mined, extracted,  
 8 or produced by such person during such quarter, from all  
 9 coal mines or coal mining property worked or operated by  
 10 such person, and shipped by such person, or used by such  
 11 person for any purpose except in connection with the  
 12 operating of the mine or mining property from which the same  
 13 was mined, extracted or produced, or delivered by such  
 14 person to any other person for shipment, sale or use by such  
 15 other person, together with the total amount due to the  
 16 state as license tax for such quarter; and must within such  
 17 thirty days, and at the time of delivering such ~~duplicate~~  
 18 statement to the state ~~treasurer~~ department of revenue, pay  
 19 to the state treasurer the amount of the license tax shown  
 20 by such statement to be due to the state of Montana, for the  
 21 quarter for which such statement is made. ~~Such--statement~~  
 22 ~~must-be-signed-and-verified-by-the-oath-of-the-individual-or~~  
 23 ~~individuals,--or-by-the-president,--vice-president,--treasurer,~~  
 24 ~~assistant-treasurer,--or-managing-agent-in-this-state,--of-the~~  
 25 ~~association,--joint-stock-company,--or-corporation-making-the~~

1 ~~same.~~ Any person engaged in working or operating more than  
 2 one coal mine may include all coal mines worked or operated  
 3 by him in one statement. ~~The-state-treasurer-shall-file--one~~  
 4 ~~copy--of--such-statement-in-his-office-and-deliver-the-other~~  
 5 ~~copy--thereof--to--the--state--department--of--revenue.~~ The state  
 6 department of revenue may grant a reasonable extension of  
 7 time for filing statements and payment of taxes due upon  
 8 good cause shown therefor."

9 Section 4. Section 84-1308, R.C.M. 1947, is amended to  
 10 read as follows:

11 "84-1308. Procedure to determine tax -- penalty ---tax  
 12 ~~lien.~~ If any person shall fail, neglect or refuse to file  
 13 any statement required by section 84-1306, or shall fail to  
 14 make payment of such license tax within the time therein  
 15 required, the state department of revenue, shall,  
 16 immediately after such time has expired, proceed to inform  
 17 itself, as best it may, regarding the number of tons of  
 18 marketable or merchantable coal mined, extracted or produced  
 19 by such person, during such quarter and shipped or used by  
 20 such person, or delivered by such person to any other person  
 21 for shipment, sale or use by such other person, and shall  
 22 determine and fix the amount of the license taxes due to the  
 23 state from such person for such quarter, ~~and-shall-make~~  
 24 ~~out-a-statement-in-triplicate,--showing-the-same,--and--shall~~  
 25 ~~add--to--the--amount--of--such-license-taxes,--ten-per-centum~~

1 ~~(10%) thereof as a penalty, and one of such statements shall~~  
 2 ~~be filed in the office of the county clerk and recorder of~~  
 3 ~~the county in which the coal was produced and one of such~~  
 4 ~~statements delivered to the state treasurer, who shall~~  
 5 ~~proceed to collect the amount of such license taxes, with~~  
 6 ~~the penalty added thereto and interest on the whole thereof,~~  
 7 ~~at the rate of eight per centum (8%) per annum from the date~~  
 8 ~~of making of such statement by the state department of~~  
 9 ~~revenue until paid. Upon request of the state treasurer, it~~  
 10 ~~shall be the duty of the attorney general or any county~~  
 11 ~~attorney to commence, and prosecute to final determination~~  
 12 ~~in any court of competent jurisdiction, an action at law to~~  
 13 ~~collect the same. The state department of revenue shall add~~  
 14 ~~to the amount of all delinquent strip coal mining license~~  
 15 ~~taxes a penalty of ten percent (10%) of the amount of such~~  
 16 ~~license taxes plus interest at the rate of one percent (1%)~~  
 17 ~~per month or fraction thereof computed on the total amount~~  
 18 ~~of license taxes and penalty. Interest shall be computed~~  
 19 ~~from the date the license taxes were due to the date of~~  
 20 ~~payment. The state department of revenue shall mail to the~~  
 21 ~~person required to file a quarterly statement and pay any~~  
 22 ~~license tax, a letter setting forth the amount of license~~  
 23 ~~tax, penalty and interest due and may file a copy of such~~  
 24 ~~letter in the office of the county clerk and recorder of the~~  
 25 ~~county in which the coal was produced, it shall be the duty~~

1 ~~of the attorney general or any county attorney to commence~~  
 2 ~~and prosecute to final determination in any court of~~  
 3 ~~competent jurisdiction, an action at law to collect the~~  
 4 ~~total amount of license tax, penalty and interest due AND~~  
 5 ~~THE LETTER SHALL FURTHER CONTAIN A STATEMENT THAT IF PAYMENT~~  
 6 ~~IS NOT MADE WITHIN SUCH TIME A LIEN MAY BE FILED AS SET~~  
 7 ~~FORTH IN [SECTION 4 HEREIN]. UPON RECEIPT OF SAID LETTER~~  
 8 ~~THE PERSON SHALL REMIT TO THE DEPARTMENT OF REVENUE THE FULL~~  
 9 ~~AMOUNT OF LICENSE TAX, PENALTY AND INTEREST DUE WITHIN~~  
 10 ~~FIFTEEN (15) DAYS. The ten percent (10%) penalty herein~~  
 11 ~~provided may be waived by the state department of revenue if~~  
 12 ~~reasonable cause for the failure and neglect to file the~~  
 13 ~~statement required by section 84-1306 is provided to the~~  
 14 ~~said department.~~

15 ~~The license tax assessed against any person under this~~  
 16 ~~act, together with penalties and interest thereon, shall be~~  
 17 ~~a lien upon any and all property owned by such person within~~  
 18 ~~this state and upon the mine from which the coal was~~  
 19 ~~produced, which lien shall attach on the date when the~~  
 20 ~~license tax is certified to the state treasurer by the state~~  
 21 ~~department of revenue mails a letter assessing license tax,~~  
 22 ~~penalty and interest and such lien may be enforced in the~~  
 23 ~~name of the state of Montana, in the same manner as other~~  
 24 ~~liens are enforced at law."~~

25 SECTION 5. THERE IS A NEW R.C.M. SECTION THAT READS AS

1 FOLLOWS:  
2 PROCEDURE FOR COLLECTION OF TAX. ALL TAX, PENALTY, AND  
3 INTEREST DUE FROM ANY PERSON UNDER THIS ACT SHALL BE A LIEN  
4 UPON ANY AND ALL REAL PROPERTY OF SUCH PERSON UPON THE  
5 FILING OF THE STATE DEPARTMENT OF REVENUE OF THE DUPLICATE  
6 OF THE STATEMENT SO MADE BY THE STATE DEPARTMENT OF REVENUE,  
7 OR A CERTIFIED COPY OF ANY STATEMENT FILED BY SAID  
8 DEPARTMENT IN THE OFFICE OF THE COUNTY CLERK IN THE COUNTY  
9 WHERE SUCH REAL PROPERTY IS SITUATED WHICH LIEN SHALL HAVE  
10 PRECEDENCE OVER ANY OTHER CLAIM, LIEN OR DEMAND THEREAFTER  
11 FILED AND RECORDED AND WHICH MAY BE ENFORCED IN THE NAME OF  
12 THE STATE OF MONTANA IN THE SAME MANNER AS JUDGMENT LIENS  
13 ARE ENFORCED AT LAW.

14 Section 6. Section 84-1309, R.C.M. 1947, is repealed.  
15 ~~Section 6. This act is effective on passage and~~  
16 ~~approval.~~

-End-