

1                    HOUSE    BILL NO. 45  
 2    INTRODUCED BY WILLIAMS, FABREGA  
 3  
 4    A BILL FOR AN ACT ENTITLED: "AN ACT TO IMPLEMENT THE  
 5    RECOMMENDATIONS OF THE SUBCOMMITTEE ON TAXATION; TO CLARIFY  
 6    THE PROPERTY TAX SYSTEM BY GENERALLY REVISING AND  
 7    RECODIFYING SECTIONS RELATING TO PROPERTY CLASSIFICATION  
 8    AND TAXATION AND BY ESTABLISHING MARKET VALUE AS THE BASIS  
 9    OF TAXATION, EXCEPT FOR CERTAIN CASES, AND ADJUSTING THE  
 10    TAXABLE PERCENTAGE ACCORDINGLY; TO CONSOLIDATE CLASSES; AND  
 11    TO LOWER TAX RATES FOR NONAGRICULTURAL LAND AND  
 12    IMPROVEMENTS; PROVIDING A DELAYED EFFECTIVE DATE; AMENDING  
 13    84-401 AND REPEALING 69-3923, 84-301, 84-302, 84-304,  
 14    84-305, 84-307, AND 84-308, R.C.M. 1947."  
 15  
 16    BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
 17        Section 1. There is a new R.C.M. section numbered  
 18    84-301.1 that reads as follows:  
 19        84-301.1. Classification of taxable property. For the  
 20    purpose of taxation, the taxable property in the state shall  
 21    be classified in accordance with 84-301.2 through 84-301.14.  
 22        Section 2. There is a new R.C.M. section numbered  
 23    84-301.2 that reads as follows:  
 24        84-301.2. Class one property -- description -- taxable  
 25    percentage. (1) Class one property includes the right of

1    devise, or succession to enter land whose surface title is  
 2    held by another to explore, prospect, or dig for oil, gas,  
 3    coal, or minerals. The market value of the right of entry  
 4    is determined by the department of revenue.  
 5        (2) Class one property is taxed at 100% of its market  
 6    value.  
 7        Section 3. There is a new R.C.M. section numbered  
 8    84-301.3 that reads as follows:  
 9        84-301.3. Class two property -- description -- taxable  
 10    percentage. (1) Class two property includes:  
 11        (a) all agricultural and other tools, implements, and  
 12    machinery;  
 13        (b) gas and other engines and boilers and threshing  
 14    machines and outfits used therewith;  
 15        (c) automobiles, motor trucks, and other power-driven  
 16    cars and vehicles of all kinds except mobile homes;  
 17        (d) boats and all watercraft;  
 18        (e) harness, saddlery, and ropes;  
 19        (f) manufacturing and mining machinery, fixtures, and  
 20    supplies, except those included in classes six or seven;  
 21        (g) furniture and fixtures used in commercial, office,  
 22    and hotel activities, except improvements included in class  
 23    five;  
 24        (h) all property, except that included in class six,  
 25    used and owned by persons, firms, corporations, or other

1 organizations that are engaged in the business of furnishing  
2 telephone communications exclusively to rural areas or to  
3 rural areas and cities and towns of 800 persons or less. The  
4 average circuit miles for each station on the telephone  
5 communications system must be more than 1 1/4 miles to  
6 qualify for this classification.

7 (2) Class two property is taxed at 13% of its market  
8 value.

9 Section 4. There is a new R.C.M. section numbered  
10 84-301.4 that reads as follows:

11 84-301.4. Class three property — description —  
12 taxable percentage. (1) Class three property includes:

13 (a) centrally assessed utility allocations after  
14 deduction of locally assessed properties, except as provided  
15 in:

16 (i) class two for rural telephones; and

17 (ii) class six for cooperatives;

18 (b) all other property not included in 84-301.2,  
19 84-301.3, and 84-301.5 through 84-301.14.

20 (2) Class three property is taxed at 16% of its market  
21 value.

22 Section 5. There is a new R.C.M. section numbered  
23 84-301.5 that reads as follows:

24 84-301.5. Class four property — description —  
25 taxable percentage. (1) Class four property includes:

1 (a) all land, except agricultural land meeting the  
2 qualifications of 84-437.2;

3 (b) all improvements, except those included in class  
4 five or eight;

5 (c) all trailers affixed to land owned, leased, or  
6 under contract for purchase by the trailer owner;

7 (d) all mobile homes, except:

8 (i) those held by a distributor or dealer of mobile  
9 homes as part of his stock in trade; and

10 (ii) those included in class eight;

11 (e) livestock, poultry, and unprocessed products of  
12 both.

13 (2) Class four property is taxed at 10% of its market  
14 value.

15 Section 6. There is a new R.C.M. section numbered  
16 84-301.6 that reads as follows:

17 84-301.6. Class five property — description —  
18 taxable percentage. (1) Class five property includes the  
19 incremental increase in the value of real estate produced by  
20 repairing, maintaining, or improving existing improvements.

21 (2) Class five property is taxed at:

22 (a) 2% of the market value for the first full year  
23 following completion of the repair, maintenance, or  
24 improvement of existing improvements;

25 (b) 4% of the market value for the second full year

1 following completion of the repair, maintenance, or  
2 improvement of existing improvements;

3 (c) 6% of the market value for the third full year  
4 following completion of the repair, maintenance, or  
5 improvement of existing improvements;

6 (d) 8% of the market value for the fourth full year  
7 following completion of the repair, maintenance, or  
8 improvement of existing improvements; and

9 (e) 10% of the market value for the fifth full year  
10 and every year thereafter following completion of the  
11 repair, maintenance, or improvement of existing  
12 improvements.

13 Section 7. There is a new R.C.M. section numbered  
14 84-301.7 that reads as follows:

15 84-301.7. Class six property — description — taxable  
16 percentage. (1) Class six property includes:

17 (a) business inventories as defined in this section;  
18 (b) all unprocessed agricultural products on the farm  
19 or in storage, except:

20 (i) all perishable fruits and vegetables in farm  
21 storage and owned by the producer; and

22 (ii) livestock, poultry, and the unprocessed products  
23 of both;

24 (c) all property used and owned by cooperative rural  
25 electrical and cooperative rural telephone associations as

1 provided in (2) (b) of this section.

2 (2) (a) "Business inventories" includes goods intended  
3 for sale or lease in the ordinary course of business and raw  
4 materials and work in progress with respect to such goods.  
5 Business inventories does not include goods leased or rented  
6 or mobile homes held by a dealer or distributor as part of  
7 his stock in trade.

8 (b) The property of all cooperative rural electrical  
9 and cooperative rural telephone associations organized under  
10 the laws of Montana is included in this class; except that  
11 when less than 95% of the electricity consumers or telephone  
12 users within the incorporated limits of a city or town are  
13 served by the cooperative organization, the property is  
14 included in class two.

15 (3) Class six property is taxed at 5% of its market  
16 value.

17 Section 8. There is a new R.C.M. section numbered  
18 84-301.8 that reads as follows:

19 84-301.8. Class seven property — description —  
20 taxable percentage. (1) Class seven property includes:

21 (a) air pollution control equipment as defined in this  
22 section;

23 (b) all new industrial property as defined in this  
24 section;

25 (c) a capital investment in a recognized nonfossil

1 form of energy generation, to the extent provided under  
2 84-7403;

3 (d) a capital investment in a building for an energy  
4 conservation purpose, to the extent provided under 84-7403.

5 (2) (a) "Air pollution control equipment" means  
6 facilities, machinery, or equipment, attached or unattached  
7 to real property, utilized to reduce, eliminate, control, or  
8 prevent air pollution. The department of health and  
9 environmental sciences determines if such utilization is  
10 being made.

11 (b) "New industrial property" means any new industrial  
12 plant, including land, buildings, machinery, and fixtures,  
13 which is used by a new industry during the first 3 years of  
14 its operation. The property may not have been assessed prior  
15 to July 1, 1961, within the state of Montana.

16 (i) New industrial property is limited to industries  
17 that:

18 (A) manufacture, mill, mine, produce, process, or  
19 fabricate materials;

20 (B) do similar work, employing capital and labor, in  
21 which materials unserviceable in their natural state are  
22 extracted, processed, or made fit for use or are  
23 substantially altered or treated so as to create commercial  
24 products or materials; or

25 (C) engage in the mechanical or chemical

1 transformation of materials or substances into new products  
2 in the manner defined as manufacturing in the 1972 Standard  
3 Industrial Classification Manual prepared by the United  
4 States office of management and budget.

5 (ii) New industrial property does not include:

6 (A) property used by retail or wholesale merchants,  
7 commercial services of any type, agriculture, trades, or  
8 professions;

9 (B) a plant that will create adverse impact on  
10 existing state, county, or municipal services;

11 (C) property used or employed in any industrial plant  
12 that has been in operation in this state for 3 years or  
13 longer.

14 (c) "New industry" means any person, corporation,  
15 firm, partnership, association, or other group that  
16 establishes a new plant or plants in Montana for the  
17 operation of a new industrial endeavor, as distinguished  
18 from a mere expansion, reorganization, or merger of an  
19 existing industry or industries.

20 (3) The department of revenue shall promulgate rules  
21 for the determination of what constitutes an adverse impact,  
22 taking into consideration the number of people to be  
23 employed and the size of the community in which the location  
24 is contemplated. Any person, corporation, firm, partnership,  
25 association, or other group seeking to qualify its property

1 for inclusion in this class shall make application to the  
 2 department of revenue in such a manner and form as the  
 3 department requires. Once the department has made an initial  
 4 determination that the industrial facility qualifies as new  
 5 industrial property, the department shall then, upon proper  
 6 notice, hold a hearing to determine if the new industrial  
 7 classification should be retained by the property. The  
 8 local taxing authority may appear at the hearing and may  
 9 waive its objection to retention of this classification if  
 10 the industry agrees to the prepayment of taxes sufficient to  
 11 satisfy tax requirements created by the location and  
 12 construction of the facility during the construction period.  
 13 When a prepayment of taxes is required, the maximum amount  
 14 of prepayment shall be the amount of tax the industry would  
 15 have paid without the application of the class seven  
 16 percentage to such property.

17 (4) If a major new industrial facility qualifies under  
 18 class seven, the reduction of its yearly payment of property  
 19 taxes for reimbursement of its prepaid taxes as provided for  
 20 in 84-41-105 does not begin until the class seven  
 21 qualification expires.

22 (5) Class seven property shall be taxed at 5% of its  
 23 market value.

24 Section 9. There is a new R.C.M. section numbered  
 25 84-301.9 that reads as follows:

1 84-301.9. Class eight property — description —  
 2 taxable percentage. (1) Class eight property includes:

3 (a) any improvement on real property, a trailer  
 4 affixed to land, or a mobile home and appurtenant land not  
 5 exceeding 5 acres, which together meet the following  
 6 conditions:

7 (i) have a market value of not more than \$27,500;

8 (ii) are owned or under contract for deed and are  
 9 actually occupied for at least 10 months a year as the  
 10 primary residential dwelling of:

11 (A) a widow or widower 62 years of age or older who  
 12 qualifies under the income limitations of (C) of this  
 13 section;

14 (B) a widow or widower of any age who has dependent  
 15 children and who qualifies under the income limitations of  
 16 (C) of this section; or

17 (C) a recipient or recipients of retirement or  
 18 disability benefits whose total income from all sources is  
 19 not more than \$6,000 a year for a single person or \$6,800 a  
 20 year for a married couple;

21 (b) a dwelling house and the lot on which it is  
 22 erected, owned, and occupied by a resident of the state who:

23 (i) has been honorably discharged from active service  
 24 in any branch of the armed services; and

25 (ii) is rated 100% disabled due to a service-connected

1 disability by the United States Veterans Administration or  
2 its successor. In the event of the veteran's death, the  
3 dwelling house and the lot on which it is erected shall  
4 remain in this class as long as the surviving spouse remains  
5 unmarried and the owner and occupant of the property.

6 (2) (a) A person applying for classification of  
7 property under (1) (a) must make an affidavit to the  
8 department of revenue on a form provided by the department  
9 without cost as to:

- 10 (i) his income, if applicable;  
11 (ii) his retirement benefits, if applicable;  
12 (iii) his marital status, if applicable; and  
13 (iv) the fact that he maintains the land and  
14 improvements as his primary residential dwelling.

15 (b) The county welfare board may investigate the  
16 applicant as to the answers given on the form. For the  
17 purpose of the affidavit required for classification of  
18 property under this class, it shall be sufficient if the  
19 applicant signs a statement swearing to or affirming the  
20 correctness of the information supplied, whether or not the  
21 statement is signed before a person authorized to administer  
22 oaths, and mails the application and statement to the  
23 department of revenue. This signed statement shall be  
24 treated as a statement under oath or equivalent affirmation  
25 for the purposes of 94-7-203, relating to the criminal

1 offense of false swearing.

2 (c) The assessed value of the property may not be  
3 increased during the life of the recipient of retirement  
4 benefits or widow or widower covered under this class,  
5 unless the owner-resident makes a substantial improvement in  
6 the dwelling.

7 (3) Class eight property is taxed at 5% of its market  
8 value.

9 Section 10. There is a new R.C.M. section numbered  
10 84-301.10 that reads as follows:

11 84-301.10. Class nine property — description —  
12 taxable percentage. (1) Class nine property includes the  
13 annual net proceeds of all mines and mining claims, except  
14 coal mines.

15 (2) Class nine property is taxed at 100% of its annual  
16 net proceeds after deducting the expenses specified and  
17 allowed by 84-5403.

18 Section 11. There is a new R.C.M. section numbered  
19 84-301.11 that reads as follows:

20 84-301.11. Class ten property — description —  
21 taxable percentage. (1) Class ten property includes the  
22 annual gross proceeds of underground coal mines.

23 (2) Class ten property is taxed at 13% of the annual  
24 gross proceeds.

25 Section 12. There is a new R.C.M. section numbered

1 84-301.12 that reads as follows:

2 84-301.12. Class eleven property — description —  
3 taxable percentage. (1) Class eleven property includes the  
4 annual gross proceeds of coal mines using the strip-mining  
5 method.

6 (2) Class eleven property is taxed at 45% of the  
7 annual gross proceeds.

8 Section 13. There is a new R.C.M. section numbered  
9 84-301.13 that reads as follows:

10 84-301.13. Class twelve property — description —  
11 taxable percentage. (1) Class twelve property includes  
12 agricultural land as defined in 84-437.2.

13 (2) Class twelve property is taxed at 12% of its  
14 assessed value.

15 Section 14. There is a new R.C.M. section numbered  
16 84-301.14 that reads as follows:

17 84-301.14. Class thirteen property — description —  
18 taxable percentage. (1) Class thirteen property includes  
19 moneyed capital and shares of banks.

20 (2) Moneyed capital is defined as moneys, bonds,  
21 notes, and other evidence of indebtedness, including  
22 evidence of indebtedness secured by mortgage on real or  
23 personal property, in the hands of individual citizens and  
24 corporations in competition with the business of national  
25 banks or employed in conducting a banking or investment

1 business.

2 (3) In ascertaining the value of moneyed capital for  
3 taxation, any deposits and any indebtedness borrowed for use  
4 as moneyed capital are deducted from the amount of bonds,  
5 notes, and other evidence of indebtedness.

6 (4) In ascertaining the value of the shares of a  
7 national bank for taxation, the book value of all real  
8 estate owned by a bank is deducted from the value of the  
9 shares and assessed to the bank separately. The shares of  
10 banking corporations engaged in the banking business in  
11 Montana are assessed at 100% of book value, less the book  
12 value of the real estate, moneyed capital, and other  
13 property of the bank that is assessed and taxed as the  
14 property of the bank.

15 (5) Class thirteen property is taxed at 30% of its  
16 book value, with the exception of the surplus shown on the  
17 bank's books. The surplus, to the amount of the stated  
18 capital of the bank, is taxed at 7% of its book value. The  
19 amount of surplus in excess of the stated capital is taxed  
20 at 30%.

21 Section 15. Section 84-401, R.C.M. 1947, is amended to  
22 read as follows:

23 ~~"84-401. Property assessed at forty percent (40%) of~~  
24 ~~its full cash value — exceptions assessments, definitions,~~  
25 ~~and exceptions. (1) All taxable real property and~~

1 ~~improvements~~ must be assessed at ~~forty percent (40%)~~ 100% of  
2 its ~~full-cash market~~ value except as provided in subsection  
3 (5) of this section.

4 (2) Market value is the value at which property would  
5 change hands between a willing buyer and a willing seller,  
6 neither being under any compulsion to buy or to sell and  
7 both having reasonable knowledge of relevant facts.

8 (3) The department of revenue or its agents may not  
9 adopt a lower or different standard of value from market  
10 value in making the official assessment and appraisal of the  
11 value of property in classes one through eight. For purposes  
12 of taxation, assessed value is the same as appraised value.

13 (4) The taxable value for all property in classes one  
14 through eight is the percentage of market value established  
15 for each class of property in 84-301.2 through 84-301.9.

16 (5) The assessed value of properties in classes nine  
17 through thirteen is as follows:

18 (4)(a) Properties in ~~section 84-301, 84-301.10~~ under  
19 Class One ~~class nine~~, shall be ~~are~~ assessed at ~~one hundred~~  
20 percent ~~(100%)~~ of full-cash value of the annual net proceeds  
21 after deducting the expenses specified and allowed by  
22 84-5403.

23 (b) Properties in 84-301.11 and 84-301.12, under  
24 classes ten and eleven, are assessed at 100% of the annual  
25 gross proceeds.

1 ~~(2)(c) The assessment of agricultural lands shall be~~  
2 ~~based upon Properties in 84-301.13, under class twelve, are~~  
3 ~~assessed at 100% of the productive capacity of the lands~~  
4 ~~when valued for agricultural purposes. All lands that meet~~  
5 ~~the qualifications of 84-477.2 shall be ~~are~~ valued as~~  
6 ~~agricultural lands for tax purposes that meet the~~  
7 ~~qualifications of section 84-437.2, R.C.S. 1947.~~

8 (d) Property in 84-301.14, under class thirteen, is  
9 assessed at 100% of book value, by the method established in  
10 84-301.14, 84-4604, and 84-4605.

11 (5) Land and the improvements thereon shall be ~~are~~  
12 separately assessed when any of the following conditions  
13 occur:

14 (a) when ownership of the improvements is different  
15 from ownership of the land;

16 (b) when requested in writing by the taxpayer, the  
17 taxpayer makes a written request; or

18 (c) when the land is outside an incorporated city or  
19 town.

20 (7) The taxable value of all property shall be  
21 determined by sections ~~84-301 and 84-308~~ in classes nine  
22 through thirteen is the percentage of assessed value  
23 established in 84-301.10 through 84-31.13 for each class of  
24 property."

25 Section 16. Section 11-988, R.C.S. 1947, is amended to



1 read as follows:

2 "11-988. Power of cities and towns to acquire natural  
3 gas and distributing system ~~therefor~~. The city or town  
4 council has power to contract an indebtedness of a city or  
5 town upon the credit thereof by borrowing money or issuing  
6 bonds for the construction, purchase, or development of an  
7 adequate supply of natural gas, and to construct or purchase  
8 a system of gas lines for the distribution thereof to the  
9 inhabitants of ~~said the~~ city or town or vicinity, provided,  
10 ~~that the~~ The total amount of indebtedness authorized to be  
11 contracted in any form, including the then-existing  
12 indebtedness, must not at any time exceed ~~three per centum~~  
13 ~~(3%)~~ 11% of the total assessed valuation taxable value of  
14 the ~~taxable~~ property of the city or town subject to taxation  
15 as ascertained by the last assessment for state and county  
16 taxes, and provided further, that no ~~no~~ money ~~must~~ may be  
17 borrowed or bonds issued for the purposes ~~herein~~ specified  
18 in this section until the proposition has been submitted to  
19 the vote of the taxpayers ~~affected thereby~~ of the city or  
20 town, affected thereby and the majority vote cast in its  
21 favor ~~thereof~~."

22 Section 17. Section 11-1011, R.C.M. 1947, is amended  
23 to read as follows:

24 "11-1011. Tax levy for band concerts. For the purpose  
25 of providing band concerts ~~as in this act provided~~, the

1 council or other governing body in any town or city of the  
2 first, second, or third class, or of any incorporated town,  
3 may assess and levy, in addition to the levy for general  
4 municipal or administrative purposes, an amount not  
5 ~~exceeding to exceed one~~ 1 mill on the dollar on the ~~assessed~~  
6 taxable value of the ~~taxable~~ property of the ~~said~~ city or  
7 town subject to taxation."

8 Section 18. Section 11-1019, R.C.M. 1947, is amended  
9 to read as follows:

10 "11-1019. Operation of bus lines — contracting  
11 indebtedness. Whenever a city or town is not being served by  
12 a bus company or operator, operating on a regular schedule,  
13 and under the jurisdiction of the public service commission  
14 or if such service ~~is to be or~~ is likely to be discontinued  
15 in the immediate future, the city or town council of any  
16 incorporated city or town ~~shall have the power to may~~  
17 contract an indebtedness of any such city or town upon the  
18 credit thereof by borrowing money or issuing bonds for the  
19 purchase, development, operation, or leasing of motor buses  
20 and bus lines for the transportation of passengers within  
21 the corporate limits of such cities and towns, and to  
22 operate the same to any point or points beyond ~~said these~~  
23 limits not to exceed ~~eight (8)~~ miles, measured along the  
24 route of ~~said the~~ bus line, provided that the ~~The~~ total  
25 amount of indebtedness authorized to be contracted in any

1 form, including the then-existing indebtedness, ~~must~~ may not  
 2 at any time exceed ~~five per centum (5%)~~ 18% of the total  
 3 ~~assessed valuation~~ taxable value of the ~~taxable~~ property of  
 4 the city or town subject to taxation as ascertained by the  
 5 last assessment for state and county taxes, ~~and provided~~  
 6 ~~further, that no~~ No money ~~must~~ may be borrowed or bonds  
 7 issued for the purposes ~~herein~~ specified in this section  
 8 until the proposition has been submitted to the vote of the  
 9 taxpayers ~~affected thereby~~ of the city or town, and the  
 10 majority vote cast in its favor ~~thereof~~."

11 Section 19. Section 11-1301, R.C.M. 1947, is amended  
 12 to read as follows:

13 "11-1301. Presentation of claims — limitation of  
 14 actions. All accounts and demands against a city or town  
 15 must be presented to the council duly itemized. All claims  
 16 against a city or town shall contain the following  
 17 statement: "I certify that this claim is correct and just in  
 18 all respects, and that payment or credit has not been  
 19 received." Claims need not be accompanied by affidavit by  
 20 the party or his agent. These claims must be presented with  
 21 all necessary and proper vouchers, within ~~one (1)~~ year from  
 22 the date the same accrued, ~~and any~~ any claim or demand not  
 23 so presented within the this time ~~aforsaid~~ is forever  
 24 barred, and the council has no authority to allow any  
 25 account or demand not so presented, ~~nor must any~~ No action

1 may be maintained against the city or town for or on account  
 2 of any demand or claim against the ~~same~~, city or town until  
 3 such demand or claim has first been presented to the  
 4 council, ~~for action thereon; provided, however, that in~~ In  
 5 case the total indebtedness of a city or town has reached  
 6 ~~three per centum (3%)~~ 11% of the total ~~assessed valuation~~  
 7 taxable value of the ~~taxable~~ property of ~~such~~ the city or  
 8 town, subject to taxation as ascertained by the last  
 9 assessment for state and county taxes, ~~it shall be lawful~~  
 10 ~~for, and such~~ the city or town ~~is hereby authorized and~~  
 11 ~~empowered, to~~ may conduct its affairs and business on a cash  
 12 basis as provided ~~and contemplated by the next section of~~  
 13 this code 11-1302."

14 Section 20. Section 11-1909, R.C.M. 1947, is amended  
 15 to read as follows:

16 "11-1909. Levy of tax for volunteer fire departments.  
 17 For the purpose of supporting volunteer fire departments in  
 18 any city or town which does not have a paid fire department,  
 19 and for the purpose of purchasing the necessary equipment  
 20 ~~therefor~~ for them, the council in any city or town, may  
 21 ~~assess and levy~~, in addition to other levies permitted by  
 22 law, a special tax not exceeding ~~two (2)~~ mills on each  
 23 dollar of the ~~assessed valuation~~ taxable value of the  
 24 ~~taxable~~ property of the city or town ~~and, provided, further,~~  
 25 ~~that the words "assessed valuation" as used in this section~~

1 ~~shall be the percentage of the true and full valuation of~~  
 2 ~~the taxable property provided in section 84-302 and shall~~  
 3 ~~not be deemed to be the true and full valuation of such~~  
 4 ~~property subject to taxation."~~

5 Section 21. Section 11-1919, R.C.M. 1947, is amended  
 6 to read as follows:

7 "11-1919. State auditor to pay fire department relief  
 8 association out of premium taxes collected from insurance  
 9 companies. (1) At the end of the fiscal year, the state  
 10 auditor shall issue and deliver to the treasurer of every  
 11 city or town of the first and second class, for the use and  
 12 benefit of the fire department relief association legally  
 13 existing in ~~every such~~ the city or town, ~~entitled by law to~~  
 14 ~~receive the same, out of the premium taxes on insurance~~  
 15 ~~risks enumerated in subsection (6) collected by him, an~~  
 16 amount equal to ~~ten per centum~~ (10%) of the total annual  
 17 compensation paid by such city or town to its paid or  
 18 part-paid firemen for services in the previous calendar  
 19 year. This amount is paid out of the premium taxes on  
 20 insurance risks enumerated in subsection (6) and collected  
 21 by the state auditor. The city clerk of each such city or  
 22 town shall certify in writing to the state auditor, on or  
 23 before April 1 of each year, the amount ~~so~~ paid by ~~such~~ the  
 24 city or town as compensation for services to paid or  
 25 part-paid firemen.

1 (2) ~~In the event of a disaster resulting in the death~~  
 2 ~~or injury sufficient to draw pension of ten percent (10%) of~~  
 3 ~~the active force when 10% of the active force, due to a~~  
 4 ~~disaster, suffers injury or death sufficient to draw pension~~  
 5 and ~~then~~ the fund of ~~such~~ the fire department relief  
 6 association after receiving all moneys as designated in  
 7 ~~section 11-1911 and section 11-1912 and the ten-percent~~  
 8 ~~(10%) of annual compensation as designated in this chapter~~  
 9 does not show at least the ~~one~~ (1) ~~mill~~ growth as referred  
 10 to in ~~section 11-1912,~~ then the treasurer of such relief  
 11 association shall request and the state auditor shall issue  
 12 and deliver to the treasurer of every city or town of the  
 13 first and second class, for the use and benefit of the fire  
 14 department relief association legally existing in ~~every~~ the  
 15 city or town entitled to receive the same, ~~out of the~~  
 16 ~~premium tax collected by him,~~ an additional amount to show  
 17 at least the ~~one~~ (1) ~~mill~~ growth referred to in ~~section~~  
 18 11-1912. This amount is paid out of the premium tax  
 19 collected by the state auditor.

20 (3) In the event a city of the first or second class  
 21 is not entitled to receive a sum equal to ~~forty-five one~~  
 22 ~~hundredths~~ (45/100) 1 1/2 mills of its total ~~assessed~~  
 23 ~~valuation taxable value~~ under the foregoing method of  
 24 computation, then, ~~in that event,~~ the fire department relief  
 25 association of that city shall receive its money in the same

1 manner as provided below for cities of the third class.

2 (4) At the end of the fiscal year, the state auditor  
3 shall issue and deliver to the treasurer of every city or  
4 town, except cities or towns of the first or second class,  
5 for the use and benefit of the fire department relief  
6 association legally existing in every such city or town  
7 entitled by law to receive the same, his warrant for an  
8 amount equal to ~~forty-five one hundredths (45/100)~~ 1 1/2  
9 wills of the total assessed valuation taxable value of the  
10 city or town. This amount is to be paid from premium taxes,  
11 after deducting cancellations and return premiums, collected  
12 by the state auditor, ~~ex officio insurance commissioner,~~  
13 from insurers authorized to effect insurance on risks  
14 enumerated in subsection (6) of this section, as said to  
15 which the cities or towns are each severally entitled to.

16 (5) ~~The legally organized and existing fire department~~  
17 ~~relief associations in~~ In all cities or towns where the  
18 taxes on premiums collected and distributed pursuant to  
19 subsection (4) above ~~is~~ are insufficient to make an amount  
20 equal to ~~one hundred dollars (\$100), the fire department~~  
21 relief association shall receive such an additional amount  
22 from the total taxes on premiums collected from insurers  
23 ~~authorized to effect insurance against~~ of the risks  
24 enumerated in subsection (6) of this section as may be  
25 necessary to make the total amount received by said the fire

1 department relief association equal ~~to the sum of one~~  
2 ~~hundred dollars (\$100).~~

3 (6) The risks referred to in subsection (4) above, are  
4 ~~enumerated as follows:~~

5 (a) insurance insurance of houses, buildings, and all  
6 ~~other kinds of property and goods~~ against loss or damage by  
7 fire or other casualty, ~~and all kinds of insurance on~~  
8 ~~goods, merchandise, or other property in the course of~~  
9 ~~transportation, whether on land or water or air;~~

10 (b) insurance against loss or damage to motor vehicles  
11 resulting from accident, collision, or marine and inland  
12 navigation and transportation perils;

13 (c) insurance of growing crops against loss or damage  
14 resulting from hail or the elements;

15 (d) insurance against loss or damage by water to any  
16 goods or premises arising from the breakage or leakage of  
17 sprinklers, pumps, or other apparatus;

18 (e) and insurance against loss or legal liability for  
19 ~~loss because of damage to property caused by the use of~~  
20 ~~teams or vehicles; and whether by accident or collision or~~  
21 ~~by explosion of any engine or tank or boiler or pipe or tire~~  
22 ~~of any vehicle, and also including~~

23 (f) insurance against theft of the whole or any part  
24 of any vehicle."

25 Section 22. Section 11-2201, R.C.S. 1947, is amended

1 to read as follows:

2 "11-2201. Special improvements — powers of city  
3 council. (1) All streets, alleys, places, or courts in the  
4 municipalities of this state, now open or dedicated, or  
5 which may hereafter be opened or dedicated to public use,  
6 ~~shall be deemed and held to be~~ are open public streets,  
7 alleys, places, or courts, for the purposes of this chapter,  
8 and the city council of each municipality ~~is hereby~~  
9 ~~empowered to~~ may establish and change the grades of ~~said the~~  
10 streets, alleys, places, or courts, and fix the width  
11 thereof, and ~~is hereby invested with jurisdiction to~~ may  
12 acquire private property for ~~right-of-way, right-of-way~~ and  
13 ~~to~~ order to be done any of the work mentioned in this  
14 chapter under the proceedings hereinafter described.

15 ~~Further, that in addition to the powers heretofore~~  
16 ~~granted, when~~ (2) ~~When~~ the public interest or convenience  
17 requires, the governing body of a municipality may:

18 (1) (a) ~~Establish~~ establish pedestrian malls;

19 (2) (b) ~~Prohibit~~ prohibit, in whole or in part,  
20 vehicular traffic on a pedestrian mall;

21 (3) (c) ~~Pay~~ pay, from general funds of the municipality  
22 or other available moneys or from the proceeds of  
23 assessments levied on lands benefited by the establishment  
24 of a pedestrian mall, the damages, if any, allowed or  
25 awarded to any property owner by reason of the establishment

1 of a pedestrian mall, ~~provided that the~~ The resolution of  
2 intention ~~contains~~ must contain a statement that an  
3 assessment will be levied to pay the whole or a stated  
4 portion of such damages, if any, allowed or awarded to any  
5 property owner by reason of the establishment of such  
6 pedestrian mall;

7 (4) (d) ~~Construct~~ construct improvements on public  
8 streets ~~which that~~ have been or will be established as a  
9 pedestrian mall, ~~improvements of any kind or nature~~  
10 ~~necessary or convenient to the operation of such streets as~~  
11 ~~a~~ pedestrian mall, including but not limited to paving,  
12 sidewalks, curbs, sewers, covered walkways or areas, air  
13 conditioning, drainage works, street lighting facilities,  
14 fire protection facilities, flood protection facilities,  
15 water distribution facilities, vehicular parking areas,  
16 retaining walls, landscaping, tree planting, statuary,  
17 fountains, decorative structures, benches, rest rooms, child  
18 care facilities, display facilities, information booths,  
19 public assembly facilities, and other structures, works, or  
20 improvements necessary or convenient to serve members of the  
21 public using such pedestrian mall, including the  
22 reconstruction or relocation of existing municipally owned  
23 works, improvements, or facilities on such streets. ~~Such~~ The  
24 improvements or structures may be attached to abutting  
25 private buildings or structures, provided that ~~such~~ the

1 improvements or structures ~~shall be~~ are located on public  
2 property.

3 ~~(a)(3) It is further provided that in addition to the~~  
4 ~~purposes for which an improvement district may be formed, as~~  
5 ~~heretofore set forth, an An improvement district may also be~~  
6 ~~formed for the sole purpose of the operation, maintenance,~~  
7 ~~repair and improvements of operating, maintaining,~~  
8 ~~repairing, and improving pedestrian malls, off-street~~  
9 ~~parking facilities, and parkings and parkways.~~

10 ~~(b)(4)~~ Subject to the powers granted and the  
11 limitations contained in this section, the powers and duties  
12 of the municipality and the procedure to be followed ~~shall~~  
13 ~~be~~ are as provided in this ~~article~~ chapter for other types  
14 of special improvement districts.

15 ~~(c)(5)~~ If a petition for the formation of an  
16 improvement district under the provisions of this section is  
17 presented to the governing body purporting to be signed by  
18 all of the real property owners in the proposed district,  
19 exclusive of mortgagees and other lien holders, the  
20 governing body, after verifying such ownership and making a  
21 finding of ~~such~~ the fact, shall adopt a resolution of  
22 intention to order the improvement ~~pursuant to the~~  
23 ~~provisions of section~~ as provided in 11-2204, and shall have  
24 immediate jurisdiction to adopt the resolution ordering the  
25 improvement pursuant to the following provisions, without

1 the necessity of the publication and posting of the  
2 resolution of intention provided for in ~~section~~ 11-2204.

3 ~~(d)(6)~~ The governing body shall make annual statements  
4 and estimates of the expenses of the district, which shall  
5 be provided for by the levy and collection of ad valorem  
6 taxes upon the ~~assessed~~ taxable value of all the real and  
7 personal property in the district, shall publish notice  
8 thereof, ~~and~~ shall have hearings ~~thereon~~ on the statements  
9 and estimates and adopt them ~~at the times and in the manner~~  
10 as provided for incorporated cities and towns by ~~the~~  
11 ~~applicable portions of sections~~ 11-2204 and 11-2206. The  
12 governing body, on or before the second Monday in August of  
13 each year, shall fix, levy, and assess the amount to be  
14 raised by ad valorem taxes upon all of the property of the  
15 district. All statutes providing for the levy and collection  
16 of state and county taxes, including the collection of  
17 delinquent taxes and sale of property for nonpayment of  
18 taxes, shall be applicable to the district taxes provided  
19 for under this section.

20 ~~(e)(7)~~ An improvement district formed for the purposes  
21 of establishing a pedestrian mall or off-street parking may  
22 be financed in accordance with the provisions of ~~section~~  
23 ~~11-2214, B. C. S. 1947,~~ and/or in accordance with the  
24 methods of financing set forth for the construction of water  
25 or sewer systems as set forth in ~~section~~ 11-2218, ~~B. C. S.~~

1 1947.

2 ~~(5)(8)~~ Create The governing body may create special  
3 lighting districts on any street or streets or public  
4 highway ~~therein or portions thereof~~ for the purposes of  
5 lighting ~~such street or streets or public highway and is~~  
6 ~~hereby empowered to then and~~ assess such the costs for  
7 installation and maintenance to property abutting thereto  
8 and to collect ~~such the~~ costs by special assessment against  
9 ~~said the~~ property.

10 (9) Further, ~~that in addition to the powers heretofore~~  
11 ~~granted,~~ the city or town council is ~~empowered to may~~ make  
12 assessments in the manner provided in ~~section~~ 11-2245  
13 ~~hereafter~~ on property abutting ~~said the~~ street or highway  
14 and lying outside the boundaries of ~~said the~~ city or town,  
15 ~~so as~~ long as that portion of the street or public highway  
16 to be lighted is adjacent to the boundary line of ~~said the~~  
17 city or town, ~~or~~ lies partially within ~~said the~~ city or  
18 town, or extends from one point within ~~said the~~ city or town  
19 to another point within ~~said the~~ city or town."

20 Section 23. Section 11-2205, R.C.M. 1947, is amended  
21 to read as follows:

22 "11-2205. Assessment of extended district including  
23 lots not fronting on improvement. Whenever the contemplated  
24 work of improvement, in the opinion of the city council, is  
25 of more than local or ordinary public benefit, or whenever,

1 according to estimates furnished by the city engineer, the  
2 total estimated costs and expenses thereof would exceed  
3 ~~one-half 1/5~~ of the total ~~assessed taxable~~ value of the lots  
4 and lands ~~assessed, if assessed upon the lots or lands~~  
5 fronting upon said proposed work or improvement, according  
6 to the valuation fixed by the last assessment roll, ~~whereon~~  
7 ~~it was assessed for taxes for municipal purposes,~~ the city  
8 council may ~~make~~ charge the expenses of ~~such the~~ work or  
9 improvement ~~chargeable upon to~~ an extended district ~~and~~  
10 ~~which that~~ may include other lots not fronting on the  
11 improvement, and which the ~~said~~ city council ~~shall,~~ in its  
12 resolution of intention, ~~declare~~ declares to be the district  
13 benefited by ~~said the~~ work or improvements ~~and to be~~  
14 ~~assessed to pay the costs and expenses thereof."~~

15 Section 24. Section 11-2303, R.C.M. 1947, is amended  
16 to read as follows:

17 "11-2303. Limitation on amount of indebtedness. No  
18 city or town ~~shall may~~ issue bonds for any purpose in an  
19 amount which, with all outstanding and unpaid indebtedness,  
20 will exceed ~~five per centum (5%)~~ 18% of the ~~assessed taxable~~  
21 value of the ~~taxable~~ property therein subject to taxation,  
22 to be ascertained by the last assessment for state and  
23 county taxes, ~~provided, however, that for~~ For the purpose  
24 of constructing a sewerage system, ~~or~~ procuring a water  
25 supply, or constructing or acquiring a water system for a

1 city or town, which shall own and control ~~such~~ the water  
 2 supply and water system and devote the revenues therefrom to  
 3 the payment of the debt, a city or town may incur an  
 4 additional indebtedness by borrowing money or issuing bonds.  
 5 The additional total indebtedness ~~which that~~ may be incurred  
 6 by borrowing money or issuing bonds for the construction of  
 7 a sewerage system, ~~or~~ for the procurement of a water supply,  
 8 or for both such purposes, including all indebtedness  
 9 theretofore contracted, which is unpaid or outstanding,  
 10 shall may not in the aggregate exceed ~~ten per centum (10%)~~  
 11 over and above the ~~five per centum (5%)~~ 18% heretofore  
 12 referred to, of the total taxable value of the taxable  
 13 property therein subject to taxation as ascertained by the  
 14 last assessment for state and county taxes. The issuing of  
 15 bonds for the purpose of funding or refunding outstanding  
 16 warrants or bonds shall is not be deemed the incurring of a  
 17 new or additional indebtedness, but ~~shall be deemed is~~  
 18 merely the changing of the evidence of outstanding  
 19 indebtedness."

20 Section 25. Section 11-3921, R.C.M. 1947, is amended  
 21 to read as follows:

22 "11-3921. Allocation of taxes. (1) Any urban renewal  
 23 plan, as defined in ~~section~~ 11-3901, may contain a provision  
 24 or be amended to contain a provision providing that taxes  
 25 levied on taxable property in an urban renewal area each

1 year by or for the benefit of the state, any city, county,  
 2 or other political subdivisions for which taxes are levied,  
 3 ~~(hereafter referred to as taxing bodies)~~ shall be allocated,  
 4 after the effective date of such provision as provided in  
 5 subsections (3) and (4) of this section.

6 (2) For the purposes of this section, i

7 (a) "prior ~~assessed~~ taxable value" means the ~~assessed~~  
 8 taxable value of the taxable property in the urban renewal  
 9 area subject to taxation as shown on the assessment roll  
 10 last equalized prior to the effective date of the urban  
 11 renewal plan, ~~notwithstanding~~ Notwithstanding the  
 12 provisions of this act, any increase resulting from a  
 13 comprehensive revaluation of all property within the county  
 14 may be applied to the property for the purpose of  
 15 determining the "prior ~~assessed~~ taxable value".

16 (b) the word "taxes" includes, but is not limited to,  
 17 all levies on an ad valorem basis upon land or real  
 18 property. i

19 (c) "taxing body" is any city, county, or other  
 20 political subdivision for which taxes are levied.

21 (3) The portion of taxes produced by levies ~~for a~~  
 22 ~~taxing body~~ upon the total sum of the prior ~~assessed~~ taxable  
 23 value of the taxable property in the urban renewal area  
 24 subject to taxation shall be allocated and paid into the  
 25 funds of the taxing body like taxes paid by or for the



1 taxing body on all other property. For the purpose of  
 2 allocating taxes levied by a taxing body that did not  
 3 include the urban renewal area on the effective date of the  
 4 provision allocating the taxes but to which the urban  
 5 renewal area has since been annexed or otherwise included,  
 6 the assessment roll of the county last equalized prior to  
 7 the effective date of the provision shall be used in  
 8 determining the prior ~~assessed~~ taxable value.

9 (4) The portion of taxes levied by ~~each~~ the taxing  
 10 body each year in excess of the amount levied under  
 11 subsection (3) shall be paid by the county treasurer into a  
 12 special fund held by the city treasurer to pay the principal  
 13 and interest on bonds issued under authority of ~~section~~  
 14 11-3910, except that taxes for the payment of all bonds and  
 15 interest of each taxing body must be levied against all  
 16 taxable property within the taxing body without limitation  
 17 by the provisions of this subsection. Until the actual  
 18 ~~assessed valuation~~ taxable value of all property in the  
 19 urban renewal area exceeds the prior ~~assessed~~ taxable value  
 20 of all taxable property within such area, the actual  
 21 ~~assessed~~ taxable value of all property shall be used for  
 22 taxation purposes.

23 (5) The portion of taxes allocated in subsection (4)  
 24 above, and the special fund into which they are paid, may be  
 25 pledged by a municipality for the payment of the principal

1 and interest on bonds issued under the authority of ~~section~~  
 2 11-3910, or bonded indebtedness, incurred by a municipality  
 3 to refinance in whole or in part, the urban renewal project.  
 4 Prior to the sale of any bonds, there shall be ~~(a)~~ an  
 5 election under ~~sections~~ 11-2308 and 11-2309 approving such  
 6 sale, or ~~(b)~~ a petition for the sale signed by the owners of  
 7 record of at least ~~fifty-one percent~~ {51%} of the land  
 8 within the urban renewal district.

9 (6) After all bonds and interest have been paid, all  
 10 ~~series moneys~~ received from taxes upon property within the  
 11 urban renewal area shall be allocated as taxes on all other  
 12 property."

13 Section 26. Section 11-4111, R.C.M. 1947, is amended  
 14 to read as follows:

15 "11-4111. Levy authorized — uses — restrictions. (1)  
 16 Upon an affirmative vote of a majority of the qualified  
 17 voters voting in a city, county, or town on the question of  
 18 whether the governing body may levy a tax for economic  
 19 development, the governing body of that city, county, or  
 20 town is authorized to levy in any one election up to ~~one~~  
 21 ~~(1)~~ mill upon the ~~assessed~~ taxable value of all the ~~taxable~~  
 22 property in the county, city, or town subject to taxation  
 23 for the purpose of economic development, for a period not to  
 24 exceed ~~five~~ (5) years, ~~by any one election.~~

25 (2) Funds derived from this levy may be used for

1 purchasing land for industrial parks, constructing buildings  
 2 to house manufacturing and processing operations, conducting  
 3 preliminary feasibility studies, promoting economic  
 4 development opportunities in a particular area, and other  
 5 activities generally associated with economic development.  
 6 These funds may not be used to directly assist an industry's  
 7 operations by loan or grant ~~now or~~ to pay the salary or  
 8 salary supplements of government employees.

9 (3) The governing body of the county, city, or town  
 10 may use the funds derived from this levy to contract with  
 11 local development companies, and other associations or  
 12 organizations capable of implementing the economic  
 13 development function."

14 Section 27. Section 14-307, R.C.M. 1947, is amended to  
 15 read as follows:

16 "14-307. Lien of corporate indebtedness upon  
 17 membership lands. ~~From and after~~ After the date of the  
 18 inclusion of any land or property as a member ~~thereof~~ in any  
 19 corporation, or district, organized under the provisions  
 20 hereof of this section, all mortgage or bonded indebtedness  
 21 ~~thereafter~~ created by such corporation, or district, ~~shall~~  
 22 ~~be deemed~~ is a first lien upon ~~such the~~ membership lands, to  
 23 ~~the an~~ extent of not to exceed ~~five per cent~~ 18% of the  
 24 ~~assessed valuation~~ taxable value thereof if the ~~same shall~~  
 25 ~~be~~ land is grazing or agricultural, and not to exceed ~~ten~~

1 ~~per cent~~ 36% of the ~~assessed valuation~~ taxable value thereof  
 2 if the ~~same shall be~~ land is horticultural or  
 3 vegetable-producing lands. The recording of the copy of the  
 4 articles of incorporation, or petition to become a member of  
 5 such corporation, or district, ~~shall be~~ is notice to all  
 6 subsequent lien claimants that ~~such the~~ lands are subject to  
 7 a first lien, ~~of not to exceed the amount specified herein;~~  
 8 ~~provided,~~ However, nothing ~~herein shall in this section may~~  
 9 be construed as placing a limit upon the indebtedness that  
 10 may be made a lien against any of the corporate or property  
 11 assets of the corporation, or district, as distinguished  
 12 from membership lands individually owned, ~~and included~~  
 13 ~~therein for the purposes hereof."~~

14 Section 28. Section 16-502, R.C.M. 1947, is amended to  
 15 read as follows:

16 "16-502. Basis of taxation upon creation of new county  
 17 — terms used in law defined. For the purposes of this act,  
 18 the assessed valuation of all property, whether included  
 19 within the boundaries of a proposed new county, or remaining  
 20 within the boundaries of any existing county or counties  
 21 from which territory is taken, shall be fixed and determined  
 22 on the same basis as is used for the imposition of taxes in  
 23 the state of Montana, ~~to wit: By taking that percentage of~~  
 24 ~~the true and full value of all taxable property in any~~  
 25 ~~county specified by section 24-202.~~

1 ~~Whenever in this act the term "assessed valuation" or~~  
 2 ~~"valuation based on the last assessment roll" is used, said~~  
 3 ~~terms shall be construed as meaning taxable valuation~~  
 4 ~~determined as herein provided, not the full and true~~  
 5 ~~valuation of property."~~

6 Section 29. Section 16-807, R.C.M. 1947, is amended to  
 7 read as follows:

8 "16-807. Limit of indebtedness. No county may become  
 9 indebted in any manner or for any purpose to an amount,  
 10 including existing indebtedness, in the aggregate exceeding  
 11 ~~five per centum 18%~~ of the assessed taxable value of the  
 12 taxable property therein subject to taxation, to be as  
 13 ascertained by the last assessment for state and county  
 14 taxes previous to the incurring of such indebtedness, and  
 15 ~~all all~~ bonds or obligations in excess of such amount given  
 16 by or on behalf of ~~each the~~ county are void. No county may  
 17 incur ~~any~~ indebtedness or liability for any single purpose  
 18 to an amount exceeding ~~forty thousand dollars (\$40,000)~~  
 19 without the approval of a majority of the electors thereof  
 20 voting at an election to be provided by law, except as  
 21 provided in ~~sections~~ 16-1407.1 and 16-1407.2."

22 Section 30. Section 16-808, R.C.M. 1947, is amended to  
 23 read as follows:

24 "16-808. Counties indebted beyond constitutional limit  
 25 may operate on cash basis. ~~That is~~ In case the total

1 indebtedness of a county, lawful when incurred, ~~by reason of~~  
 2 ~~great diminution of assessed value~~ exceeds the limit of five  
 3 ~~per centum (5%) 18%, by reason of great diminution of~~  
 4 taxable value, it shall be lawful for said the county and it  
 5 is hereby authorized and empowered to thereafter manage and  
 6 may conduct its business affairs on a cash basis and pay the  
 7 reasonable and necessary current expenses of said the county  
 8 out of the cash in the county treasury and derived from its  
 9 current revenue, and under such restrictions and regulations  
 10 as may be imposed by the board of county commissioners of  
 11 said the county by a resolution duly adopted and ~~spread upon~~  
 12 included in the minutes of said the board, ~~provided,~~  
 13 ~~however, that nothing herein shall restrict~~ Nothing in this  
 14 section restricts the right of said the board to make the  
 15 necessary tax levies for interest and sinking fund purposes,  
 16 and ~~provided further that nothing herein shall affect in~~  
 17 this section affects the right of any creditor of said the  
 18 county to pursue any remedy now given him by law to obtain  
 19 payment of his claim."

20 Section 31. Section 16-1152, R.C.M. 1947, is amended  
 21 to read as follows:

22 "16-1152. Tax levy for payment of warrants. The board  
 23 of county commissioners shall annually determine the amount  
 24 of ~~each the~~ warrants drawn on the general fund for the  
 25 purposes of controlling insect pests under a cropland

1 spraying program approved by the department of agriculture,  
 2 and in the succeeding year, the board shall levy a tax for  
 3 the purpose of insect pest extermination sufficient ~~in~~  
 4 ~~amount~~ to reimburse ~~said the~~ general fund for the money ~~so~~  
 5 paid out on ~~such the~~ warrants, ~~which said~~ The tax shall be  
 6 levied upon all the property in the county and shall not  
 7 exceed ~~three (3) mills on each dollar of assessed valuation~~  
 8 variable value. If there ~~be~~ is no money in the general fund  
 9 with which to pay such warrants, they shall be registered  
 10 and bear interest in the same manner as other county  
 11 warrants, ~~but in such~~ in this case the interest shall be  
 12 computed and added to the amount for which such tax is  
 13 levied."

14 Section 32. Section 16-1412, R.C.M. 1947, is amended  
 15 to read as follows:

16 "16-1412. Budget for district fairs — consideration  
 17 by county commissioners — tax levy — district fair fund —  
 18 expenditures. (1) ~~Aside from the revenue derived from~~  
 19 ~~annual fairs or other exhibitions conducted, the necessary~~  
 20 ~~revenue shall be raised as follows: The~~ To raise the revenue  
 21 necessary to hold district fairs, the board of directors  
 22 shall meet during the first week of May of each year, and  
 23 shall make a budget of the amounts required in the conduct  
 24 of the affairs of the district, for the following year, and  
 25 The board shall deduct therefrom from the budget the

1 probable income from the annual district fair and other  
 2 exhibitions to be held by ~~said the~~ district during the  
 3 following year, and shall then apportion the remaining  
 4 balance among the various counties forming ~~said the~~ district  
 5 in proportion to the assessed property of each county as  
 6 determined by the assessment rolls of the preceding year,  
 7 ~~save in the case of~~ By mutual agreement of the directors,  
 8 the share apportioned to the county in which the fair is  
 9 being conducted, in which county the levy may, by mutual  
 10 agreement of the directors, may be made larger than in other  
 11 counties comprising the district, and the The secretary  
 12 shall certify to each board of county commissioners the  
 13 amount of ~~said the~~ budget and the amount of revenue to be  
 14 raised by ~~such the~~ county for ~~such these~~ purposes, and shall  
 15 file a certified copy thereof with the clerk of the board of  
 16 county commissioners of each of the counties in ~~said the~~  
 17 district on or before ~~the first day of~~ June 1 of each year.  
 18 The respective boards of county commissioners of the  
 19 counties comprising ~~said the~~ district, shall meet in joint  
 20 assembly with their county fair commissioners during the  
 21 first week of June of each year and shall jointly consider  
 22 the budget proposed by the board of directors of the  
 23 district, and shall give such approval or suggest such  
 24 amendments or modifications as ~~to them may seem~~ they think  
 25 proper and desirable.

(2) If the county commissioners ~~shall~~ fail to hold ~~such the~~ joint meeting, or ~~shall~~ fail to take any action, then the budget, certified by the secretary of the fair district shall be, without further action, ~~deemed~~ approved, and the sums of money apportioned to the county shall be the sums to be raised by special levy for ~~said~~ this purpose. For the purpose of raising the ~~aforesaid~~ revenues, the board of county commissioners of each county in the district shall annually make a levy to raise the required sum apportioned to the respective counties, ~~provided however that~~ However, the ~~said~~ levy shall not exceed ~~one (1)~~ mill on the dollar of the ~~assessed valuation~~ taxable value of all the taxable property in the county, ~~except in the case of the county in which the fair is being conducted,~~ ~~is which~~ In this county, the levy shall not exceed ~~one and one-half (1 1/2)~~ mills on the dollar of taxable property in the county, ~~is~~ In addition ~~thereto~~ to this levy, any and all moneys available ~~to for~~ the holding of county fairs may be allotted and transferred to the use of the district fair as the respective county fair commissioners may elect, ~~the~~ The funds available to a district fair shall, on the first Monday in August or as soon thereafter as may be possible, be deposited with the county treasurer of the county in which the district fair is to be held and ~~by his and~~ credited to a fund to be known as the district fair fund,

held and paid out in the same manner as the county fair fund, except that it shall be paid out on district fair board warrants signed by the chairman or the vice-chairman and the secretary of the district fair board, ~~provided that~~ ~~the~~ The treasurer of the county in which the district fair ~~shall will~~ be held shall carry the moneys received from the various counties in the district in the regular county fair fund in the same manner as regular county fair moneys, payable, however, only on district fair warrants."

Section 33. Section 16-2010.1, R.C.M. 1947, is amended to read as follows:

"16-2010.1. Limit on city-county consolidated indebtedness. No city-county consolidated local government may issue bonds for any purpose which, with all outstanding indebtedness, will ~~may~~ exceed ~~seven and one-half percent (7 1/2%)~~ 2% of the ~~assessed~~ taxable value of the ~~taxable~~ property therein subject to taxation, ~~to be as~~ ascertained by the last assessment for state and county taxes, ~~provided, however, that~~ However, for the purpose of constructing a sewerage system or procuring a water supply or constructing or acquiring a water system for a city-county consolidated government, which shall own and control such water supply and water system and devote the revenues therefrom to the payment of the debt, a city-county consolidated government may incur an additional indebtedness

1 by borrowing money or issuing bonds. The additional  
 2 indebtedness, which may be incurred by borrowing money or  
 3 issuing bonds for the construction of a sewerage system, or  
 4 for the procurement of a water supply, or for both such  
 5 purposes, ~~including all indebtedness theretofore contracted~~  
 6 ~~which is unpaid or outstanding,~~ may not in the aggregate  
 7 exceed ~~ten percent (10%),~~ over and above the ~~seven and~~  
 8 ~~one-half percent (7 1/2%),~~ 27% heretofore referred to, of the  
 9 assessed taxable value of the taxable property therein  
 10 subject to taxation as ascertained by the last assessment  
 11 for state and county taxes. The issuing of bonds for the  
 12 purpose of funding or refunding outstanding warrants or  
 13 bonds is not the incurring of a new or additional  
 14 indebtedness, but is merely the changing of the evidence of  
 15 outstanding indebtedness."

16 Section 34. Section 16-4020, R.C.M. 1947, is amended  
 17 to read as follows:

18 \*16-4020. Disposal of property — leasing — sale. (1)  
 19 Each county to which any part of an abandoned and abolished  
 20 county is attached ~~and made a part and becoming~~ becomes the  
 21 owner under the provisions of this act of the real and ~~any~~  
 22 tangible personal property of ~~an~~ the abandoned and abolished  
 23 county and may use all of ~~such~~ this property for county  
 24 purposes, ~~or~~ may lease any of ~~such~~ this real estate, or may  
 25 sell any of ~~such~~ the real estate or personal property.

1 ~~(2)~~ provided that no such No personal property having  
 2 a value in excess of ~~one hundred dollars (\$100.00)~~ shall be  
 3 ~~sold unless the same may be sold unless it~~ has been  
 4 appraised within ~~one~~ 1 year immediately prior to the date of  
 5 sale by three taxpayers, ~~residing~~ who reside within the  
 6 territory ~~embraced within the boundaries~~ of the abandoned  
 7 and abolished county, ~~and who were~~ appointed by the judge of  
 8 the district court to which the county succeeding to the  
 9 ownership of ~~such~~ the property is attached, on petition of  
 10 the board of county commissioners thereof, ~~and no~~ No sale  
 11 of any ~~such~~ personal property shall may be made except at  
 12 public sale after notice or for a price less than ~~ninety per~~  
 13 ~~cent (90%)~~ of ~~such~~ the appraised value.

14 ~~(3)~~ (3) No ~~such~~ real property shall may be leased  
 15 unless the board of county commissioners ~~shall present~~  
 16 presents to the judge of the district court to which the  
 17 county is attached a petition describing the real estate,  
 18 with any improvements thereon, and setting forth the ter-  
 19 of the proposed lease, ~~and the same~~ The petition shall be  
 20 approved by ~~such~~ the judge, ~~which approval shall be endorsed~~  
 21 ~~on such petition~~ and filed in the office of the clerk of  
 22 ~~said~~ the county.

23 ~~(4)~~ (4) No real estate shall may be sold by ~~said~~ the  
 24 board of county commissioners unless the ~~same~~ property has  
 25 been appraised within ~~one~~ 1 year immediately prior to the

1 date of sale by three taxpayers ~~residing~~ who reside within  
 2 the territory ~~embraced within the boundaries~~ of the  
 3 abandoned and abolished county, and who were appointed by  
 4 the judge of the district court to which the county is  
 5 attached, on petition of the board of county commissioners  
 6 of such county, ~~and every such~~ Every sale of real estate  
 7 shall be made at public sale, and notice ~~of such sale~~ shall  
 8 be published in the official newspaper of the county once a  
 9 week for at least ~~two~~ 2 weeks immediately prior to the date  
 10 ~~for holding of the same, sale, in the official newspaper of~~  
 11 ~~the county, and no such~~ No real estate shall may be sold for  
 12 a price less than ~~ninety per centum (90%)~~ of the its  
 13 appraised value thereof.

14 ~~(4)(5)~~ The full purchase price of any real estate ~~so~~  
 15 sold shall need not be required to be made in one payment,  
 16 ~~but the~~ The purchaser thereof may pay the ~~same~~ full purchase  
 17 price in four installments, the first of which shall may be  
 18 not less than ~~twenty five per centum (25%)~~ of the purchase  
 19 price ~~to be~~ and paid at the time of purchase, ~~the~~ The  
 20 remainder ~~to~~ must be paid in three equal annual installments  
 21 with interest thereon at not less than ~~five per centum (5%)~~  
 22 per ~~annum~~ year. All real estate sold, with any improvements  
 23 thereon, shall be subject to assessment and taxation  
 24 annually to the purchaser or his successor in interest, at a  
 25 value equal to the amount paid on the purchase price thereof

1 until the purchase price is fully paid, ~~when such~~ At that  
 2 time, the real estate and any and all improvements placed on  
 3 any real estate shall be assessed at ~~its full cash value,~~  
 4 their value as provided in 84-401 ~~and any and all~~  
 5 ~~improvements placed on any such real estate, after its~~  
 6 ~~purchase, shall be subject to assessment and taxation at the~~  
 7 ~~full cash value thereof.~~ Whenever the purchase price of any  
 8 real estate is to be paid in installments, the board of  
 9 county commissioners shall enter into a contract with the  
 10 purchaser thereof and ~~such the~~ contract shall be recorded in  
 11 the office of the county clerk. When payment in full has  
 12 been made for any personal property or real estate, the  
 13 chairman of the board of county commissioners shall execute  
 14 and deliver the proper bill of sale or deed to the  
 15 purchaser, or his successor in interest.

16 ~~(5)(6)~~ The compensation of all appraisers appointed  
 17 under the provisions of this section shall be fixed by the  
 18 district judge appointing ~~the same~~ them. Moneys received  
 19 from leases or sales of real or personal property by any  
 20 county other than the county ~~designated in the petition for~~  
 21 ~~abandonment as the county to which the territory of the~~  
 22 ~~abandoned county is to be allocated~~ succeeding to ownership  
 23 of the abandoned county shall be transmitted by the officers  
 24 of ~~such the~~ counties to the treasurer of the succeeding  
 25 county ~~designated in such petition for abandonment.~~

1 ~~(6)~~ (7) All moneys received from the sales of personal  
2 property and from the leasing or sales ~~or~~ of real estate,  
3 after deducting therefrom the amounts paid appraisers and  
4 for publishing notices of sale, shall be used ~~and applied~~ as  
5 follows:

6 (a) ~~if~~ if there are any warrants issued and  
7 outstanding against any of the funds of the abandoned and  
8 abolished county, such moneys shall be applied in payment of  
9 such warrants and interest;

10 (b) if there are no ~~such~~ warrants outstanding but  
11 district bonds have been issued under the provisions of  
12 subdivision (b) of section 16-4016, then ~~such the~~ moneys  
13 shall be deposited in the sinking and interest fund for ~~each~~  
14 district ~~bond bonds~~;

15 (c) if there ~~be~~ are no ~~such~~ district bonds  
16 outstanding, then ~~such the~~ moneys shall be deposited to the  
17 credit of the sinking and interest funds for bonds issued  
18 and outstanding when the abandoned and abolished county  
19 ceased to exist; and

20 (d) if there ~~be~~ are no ~~such~~ bonds outstanding and  
21 ~~unpaid~~, then ~~such the~~ moneys shall be apportioned to all of  
22 the counties to which parts of the abandoned county were  
23 attached in the proportion which the ~~assessed-valuation~~  
24 taxable value of the property in each ~~such~~ part on ~~the first~~  
25 ~~day of~~ January 1 immediately preceding the abandonment bears

1 to the ~~assessed-valuation~~ taxable value of all the property  
2 in ~~such the~~ abandoned county, ~~and the apportioned moneys~~  
3 shall be deposited in ~~such the~~ funds of ~~such each~~ county as  
4 the boards of county commissioners of ~~such the~~ counties may  
5 direct."

6 Section 35. Section 32-3107, R.C.M. 1947, is amended  
7 to read as follows:

8 "32-3107. Report of county road superintendent —  
9 order creating district. (1) At the next annual meeting of  
10 the board after the road superintendent has completed  
11 surveying the road and making estimates, he shall make a  
12 detailed report. ~~(a)~~ The report shall state that the maps,  
13 descriptions, plans, specifications, and details and  
14 estimates of damages, costs, and expenses have been  
15 completed.

16 (2) The whole amount of damages, costs, and expenses  
17 shall not exceed ~~fifty per cent (50%)~~ 135% of the total  
18 ~~assessed-valuation~~ taxable value of the parcels of land in  
19 the district, as determined from the last annual assessment  
20 roll of the county. If it does not, the board shall make and  
21 enter upon the report an order that the road be made.

22 (3) That order shall create the local improvement  
23 district to be known and designated as local improvement  
24 district No. .... in .... county, Montana. Copies of the  
25 report shall be kept in the offices of the board and road



1 superintendent."

2 Section 36. Section 46-1914, R.C.M. 1947, is amended  
3 to read as follows:

4 "46-1914. Levy of tax for purpose of paying for  
5 destruction of wild animals — limitation on levy. The  
6 department of revenue shall annually prescribe the levy  
7 recommended by the department to be made against livestock  
8 of all classes, for paying for the destruction of wild  
9 animals killed in this state. The tax in any one year may  
10 not exceed ~~one and one-half~~ (1 1/2) mills on the assessed  
11 ~~valuation~~ taxable value of the livestock. The money received  
12 shall be used only for the payment of claims for the  
13 destruction of wild animals and for the administration of  
14 this act, approved by the department. The money received for  
15 the taxes levied shall be sent annually with other taxes ~~for~~  
16 ~~state purposes~~ to the state treasurer by the county  
17 treasurer of each county, ~~and when~~ when the money is  
18 received by the state treasurer, it shall be placed in the  
19 earmarked revenue fund, and ~~the money~~ may then be paid out  
20 on claims approved under the law governing the payment of  
21 claims."

22 Section 37. Section 53-114, R.C.M. 1947, is amended to  
23 read as follows:

24 "53-114. Application for registration of motor  
25 vehicles and payment of license fees thereon — assessment

1 of motor vehicles in the stock of licensed motor vehicle  
2 dealers as merchandise. (1) Every owner of a motor vehicle  
3 operated or driven upon the public highways of this state  
4 shall, for each motor vehicle owned, except as herein  
5 otherwise expressly provided, file, or cause to be filed, in  
6 the office of the county treasurer ~~wherein~~ where such the  
7 motor vehicle is owned or taxable, an application for  
8 registration, or reregistration, upon a blank form to be  
9 prepared and furnished by the registrar of motor vehicles,  
10 ~~which~~ The application shall contain:

11 (a) ~~Same name~~ name and address of owner, giving county,  
12 school district, and town or city within whose corporate  
13 limits the motor vehicle is taxable;

14 (b) ~~Same name~~ name and address of conditional sales vendor,  
15 mortgagee, or holder of other lien against ~~said the~~ the motor  
16 vehicle, with statement of amount owing under such contract  
17 or lien;

18 (c) ~~Description~~ description of motor vehicle,  
19 including make, year model, engine or serial number,  
20 manufacturer's model or letter, gross weight, type of body,  
21 and, if truck, the rated capacity;

22 (d) ~~In in~~ in case of reregistration, the license number  
23 for the preceding year; and

24 (e) ~~Such~~ such other information as the registrar of  
25 motor vehicles may require.

1       (2) ~~Whoever~~ A person who files an application for  
 2 registration or reregistration of a motor vehicle, except of  
 3 a mobile home as defined in ~~section 84-101, R.C.M., 1947,~~  
 4 shall before filing such application with the county  
 5 treasurer submit the same to the county assessor of ~~said the~~  
 6 county, ~~and said~~ The county assessor shall enter on ~~said the~~  
 7 application in a space to be provided for that purpose, the  
 8 ~~full and true and the assessed valuation market value~~ of  
 9 ~~said the~~ vehicle for the year for which ~~said the~~ application  
 10 for registration is made.

11       (3) ~~Whoever~~ A person who files an application for  
 12 registration or reregistration of a motor vehicle, except of  
 13 a mobile home as defined in ~~section 84-101, R.C.M., 1947,~~  
 14 shall upon the filing of ~~said the~~ application ~~(4)~~ pay to the  
 15 county treasurer the registration fee, as provided in  
 16 ~~section 53-122 and section 53-115, and shall also at such~~  
 17 ~~time (2)~~ pay the personal property taxes assessed or the new  
 18 motor vehicle sales tax against ~~said the~~ vehicle for the  
 19 current year of registration, ~~(unless the same shall have~~  
 20 ~~been theretofore paid for said the year),~~ before the  
 21 application for registration or reregistration may be  
 22 accepted by the county treasurer. The county treasurer ~~is~~  
 23 ~~hereby empowered to~~ may make full and complete investigation  
 24 of the tax status of ~~said the~~ vehicle, ~~and any~~ any applicant  
 25 for registration or reregistration must submit proof ~~with~~

1 ~~respect thereto~~ from the tax records of the proper county at  
 2 the request of the county treasurer.

3       (4) The amount of taxes on ~~said the~~ motor vehicle,  
 4 except a mobile home as defined in ~~section 84-101, R.C.M.,~~  
 5 ~~1947, shall be~~ is computed and determined by the county  
 6 treasurer on the basis of the levy of the year preceding the  
 7 current year of application for registration or  
 8 reregistration, ~~and such~~ The determination shall ~~be~~ is  
 9 entered on the application form in a space provided  
 10 therefor.

11       (5) Motor vehicles, except mobile homes as defined in  
 12 ~~section 84-101, R.C.M., 1947, are hereby declared to be~~  
 13 ~~accessible assessed~~ assessed for ~~taxation as of and taxes~~ on the  
 14 ~~first day of~~ January 1 in each year irrespective of the time  
 15 fixed by law for the assessment of other classes of personal  
 16 property, and irrespective of whether ~~or not~~ the levy and  
 17 tax may be a lien upon real property within the state of  
 18 Montana, ~~provided that in~~ In no event shall ~~any~~ any motor  
 19 vehicle be subject to assessment, levy, and taxation more  
 20 than once in each year.

21       (6) The applicant for original registration of any  
 22 wholly new and unused motor vehicle, except a mobile home as  
 23 defined in ~~section 84-101, R.C.M., 1947,~~ acquired by  
 24 original contract after ~~the first day of~~ January 1 of any  
 25 year shall be required, whenever such vehicle has not been

1 otherwise assessed, to pay the motor vehicle sales tax  
2 provided by ~~section~~ 32-3315, S.C.S., 1947, irrespective of  
3 whether ~~or not such~~ the vehicle was in the state of Montana  
4 on ~~the first day of~~ January 1 of ~~such~~ the year.

5 (7) Upon accepting application for registration or  
6 reregistration of any motor vehicle which is subject to  
7 taxation in this state on January 1 in any year, and upon  
8 payment of taxes, the county treasurer shall stamp on ~~said~~  
9 the application: "taxes on this vehicle due January 1 of  
10 current year paid by applicant, prior applicant, or owner,  
11 and this vehicle is eligible for registration." Upon  
12 accepting application for registration of any motor vehicle  
13 which was not subject to taxation in this state on January  
14 ~~1st~~ 1 in any year, the county treasurer shall indicate ~~such~~  
15 the fact by proper entry on ~~said~~ the application.

16 (8) The registrar of motor vehicles ~~shall have~~  
17 ~~authority to~~ may make proper entry of the payment of taxes  
18 in accord with the facts on any certificate of title to ~~any~~  
19 ~~a~~ motor vehicle ~~respecting payment of taxes in accord with~~  
20 ~~the facts.~~

21 (9) Motor vehicles subject to anniversary date  
22 registration as provided in ~~sections~~ 53-154 through 53-162  
23 are exempt from the provisions of subsections (5), (6), and  
24 (7) of this section."

25 Section 38. Section 53-1025, R.C.S. 1947, is amended

1 to read as follows:

2 "53-1025. Display of tax-paid decals on snowmobiles  
3 required — application and issuance. ~~(a)~~ (1) No snowmobile  
4 ~~shall~~ may be operated by any person in the state of Montana  
5 unless there is displayed in a conspicuous place ~~thereon~~ on  
6 it a decal as visual proof that Montana personal property  
7 taxes have been paid ~~thereon~~ on it for the current year.

8 (2) Application for the ~~issuance of~~ such tax-paid  
9 decal shall be made to the county treasurer upon forms to be  
10 furnished for this purpose, which may be obtained from the  
11 registrar of motor vehicles or at the county assessor's  
12 office in the county ~~wherein~~ where the owner resides, ~~and~~  
13 ~~is to provide for substantially~~ The application shall  
14 contain the following information:

- 15 (a) name of owner;  
16 (b) address;  
17 (c) registration number;  
18 (d) name of manufacturer;  
19 (e) model number;  
20 (f) make;  
21 (g) horsepower;  
22 (h) year of manufacture;  
23 (i) statement evidencing assessment, and payment of  
24 property tax; and  
25 (j) such other information as the registrar of motor

1 vehicles may require.

2 ~~(3)~~ (3) ~~Said~~ The application shall be signed by the county  
3 treasurer and transmitted by him to the registrar of motor  
4 vehicles accompanied by a fee of ~~two dollars~~ ~~(\$2)~~. All  
5 moneys collected from payment of ~~such~~ the fees shall be  
6 turned over to the state treasurer and placed ~~by him~~ in the  
7 earmarked revenue fund to the credit of the state fish and  
8 game commission, with ~~one dollar~~ ~~(\$1)~~ designated for use in  
9 enforcing the purposes of this act and ~~one dollar~~ ~~(\$1)~~  
10 designated for use in developing snowmobile facilities. Upon  
11 receipt of the application in approved form, the registrar  
12 of motor vehicles or county treasurer shall issue to the  
13 applicant a decal in the style and design prescribed by the  
14 registrar of motor vehicles and of a different color than  
15 the preceding year, numbered ~~numerically~~ in sequence.

16 ~~(4)~~ (4) Before filing the application with the county  
17 treasurer, the applicant shall submit ~~the same~~ it to the  
18 county assessor of the county and the county assessor shall  
19 enter on the application in a place provided for that  
20 purpose, the ~~full and true market and assessed valuation~~  
21 value of the snowmobile for the year for which the  
22 application is made.

23 ~~(5)~~ (5) The applicant shall pay the county treasurer  
24 the application fee and ~~shall also pay~~ the personal property  
25 taxes assessed against the snowmobile for the current year

1 before the application for registration or reregistration  
2 may be accepted by the county treasurer."

3 Section 39. Section 69-3504, R.C.S. 1947, is amended  
4 to read as follows:

5 "69-3504. Identification number. ~~(a)~~ (1) The owner of  
6 each motorboat requiring numbering by this state shall file  
7 an application for number in the office of the county  
8 treasurer ~~wherein~~ where the motorboat or vessel is owned or  
9 vable, on forms prepared and furnished by the registrar of  
10 motor vehicles. The application shall be signed by the owner  
11 of the motorboat and shall be accompanied by a fee of ~~one~~  
12 ~~(\$1)~~ dollar. Any alteration, change, or false statement  
13 contained in the application for certificate of registration  
14 will render the certificate of number null and void. Upon  
15 receipt of the application in approved form, the county  
16 treasurer shall issue to the applicaant a certificate of  
17 number prepared and furnished by the registrar of motor  
18 vehicles, stating the number awarded to the motorboat and  
19 the name and address of the owner. The number awarded must  
20 be painted on or attached to each outboard side of the  
21 forward half of the motorboat, or, if there are no such  
22 sides, at a corresponding location on both outboard sides of  
23 the foredeck of the motorboat ~~for which it is issued~~. The  
24 number awarded shall read from left to right, in Arabic  
25 numerals, in block characters of good proportion, ~~a minimum~~

1 of at least three ~~(3)~~ inches ~~in height tall~~, excluding  
 2 border or trim, and of a color ~~which shall contrast that~~  
 3 contrasts with the color of the background, and so  
 4 maintained as to be clearly visible and legible. The number  
 5 ~~shall may~~ not be placed on the obscured underside of the  
 6 flared bow where ~~the angle is such that the numbers it~~  
 7 cannot be easily seen from another vessel or ashore. No  
 8 numerals, letters, or devices other than those used in  
 9 connection with the identifying number issued ~~shall may~~ be  
 10 placed in the proximity of the identifying number, ~~and no~~  
 11 No numerals, letters, or devices which might interfere with  
 12 the ready identification of the motorboat by its identifying  
 13 number ~~shall may~~ be carried as to interfere with the  
 14 motorboat's identification. The certificate of number shall  
 15 be pocket size and ~~shall be~~ available to federal, state, or  
 16 local law enforcement officers at all reasonable times for  
 17 inspection on the motorboat ~~for which issued~~, whenever the  
 18 motorboat is on waters of this state, ~~except boat Boat~~  
 19 liveries are not required to have the certificate of number  
 20 on board each motorboat, ~~except that a~~ rental agreement  
 21 must be carried on board livery motorboats in place of the  
 22 certificate of number.

23 ~~(b)(2)~~ Before filing ~~such the~~ application with the  
 24 county treasurer, the applicant shall submit ~~the same it~~ to  
 25 the county assessor of ~~said the~~ county and ~~said the~~ county

1 assessor shall enter on ~~said the~~ application in a space to  
 2 be provided for that purpose, the ~~full and true and assessed~~  
 3 ~~valuation market value~~ of ~~said the~~ vehicle for the year for  
 4 which ~~said the~~ application for registration is made.

5 ~~(c)(3)~~ The applicant shall, upon the filing of the  
 6 application, pay to the county treasurer, the registration  
 7 fee and ~~shall also pay~~ the personal property taxes assessed  
 8 against the motorboat or vessel for the current year of  
 9 registration before the application for registration or  
 10 reregistration may be accepted by the county treasurer.

11 ~~(d) The numbering requirements of this act shall apply~~  
 12 ~~to motorboats operated by dealers, manufacturers or their~~  
 13 ~~employees as follows:~~

14 ~~(4)(9)~~ A dealer or manufacturer may apply directly to  
 15 the registrar of motor vehicles for one ~~(4)~~ identifying  
 16 number and one ~~(4)~~ or more certificates of number. A  
 17 dealer's or manufacturer's identifying number shall be  
 18 displayed on ~~a dealer's or manufacturer's~~ his boat while the  
 19 boat is operating for a purpose related to the buying,  
 20 selling, or exchanging of the boat by the dealer or  
 21 manufacturer. ~~(2)~~ The application for a dealer's or  
 22 manufacturer's identifying number shall include ~~the his~~ name  
 23 ~~of the dealer or manufacturer~~ and the business address of  
 24 ~~the dealer or manufacturer~~. Each dealer or manufacturer  
 25 shall will have one ~~(4)~~ identifying number assigned to his

1 business. ~~(3)~~ An application for dealer's or manufacturer's  
 2 identifying number and certificate of number shall must be  
 3 accompanied by the following fees:

4 ~~(4)~~ (a) for the identifying number, first certificate  
 5 of number, and set of license decals, ~~five dollars (\$5);~~

6 ~~(5)~~ (b) for each additional certificate of number and  
 7 set of license decals applied for in any application, ~~two~~  
 8 ~~dollars (\$2).~~

9 ~~(4)~~ (5) The registrar of motor vehicles shall issue  
 10 certificates of number for the identifying number awarded to  
 11 a dealer or manufacturer in the same manner as provided in  
 12 ~~section 69-3504(a)~~, except that no boat shall be described  
 13 in the certificate and each certificate shall state that the  
 14 identifying number has been awarded to a dealer or  
 15 manufacturer. A dealer's or manufacturer's certificate of  
 16 number expires on April 30 of the year for which it is  
 17 issued. ~~(5)~~ A dealer's or manufacturer's identifying number  
 18 shall be displayed in the same manner as provided in ~~section~~  
 19 69-3504(a) of this act, except that the number may be  
 20 temporarily attached, and that the last three ~~(3)~~ letters  
 21 shall be "DLR" for dealer and "MFR" for manufacturer, ~~these~~  
 22 These letters shall be included, respectively, in dealer or  
 23 manufacturer identification numbers only. ~~(6)~~ No person  
 24 other than a dealer or manufacturer or an employee of a  
 25 dealer or manufacturer shall display or use a dealer's or

1 manufacturer's identifying number. A dealer's or  
 2 manufacturer's identifying number may be displayed only on  
 3 motorboats owned by the dealer or manufacturer. ~~(7)~~ No  
 4 dealer or manufacturer or employee of a dealer or  
 5 manufacturer shall may use a dealer's or manufacturer's  
 6 identifying number for any purpose other than the purpose  
 7 described in subsection ~~(4)~~ (1) of this section.

8 ~~(4)~~ (6) The owner of any motorboat already covered by a  
 9 number in full force and effect, ~~which that~~ has been awarded  
 10 to it ~~pursuant to the~~ under operative federal law or a  
 11 federally approved numbering system of another state, shall  
 12 record the number prior to operating the motorboat on the  
 13 waters of this state in excess of the ~~sixty (60)-day~~  
 14 reciprocity period provided for in ~~section 69-3506(1)~~ of  
 15 this act. ~~Such recordation~~ The record shall be ~~in the same~~  
 16 ~~and pursuant to the~~ made according to the procedure required  
 17 for the award of number under subsection ~~(3)~~ (1) of this  
 18 section.

19 ~~(5)~~ (7) Should the ownership of a motorboat change,  
 20 ~~within a reasonable time~~ a new application form with fee  
 21 shall be filed within a reasonable time with the county  
 22 treasurer and a new certificate of number shall ~~be~~ awarded  
 23 in the same manner as provided for in an original award of  
 24 number.

25 ~~(5)~~ (8) If an agency of the United States government

1 has in force ~~an over-all~~ a comprehensive system of  
 2 identification numbering for motorboats in the United  
 3 States, the numbering system employed pursuant to this act  
 4 by the registrar of motor vehicles shall be in conformity  
 5 ~~therewith.~~

6 ~~(4)~~ (9) Every certificate of number and the license  
 7 decals awarded under this act shall continue in effect for a  
 8 period not to exceed ~~one~~ (1) year, unless sooner terminated  
 9 or discontinued in accordance with the provisions of this  
 10 act. Certificates of number and license decals shall show  
 11 the date of expiration ~~thereon~~ and may be renewed by the  
 12 owner in the same manner provided for in the initial  
 13 securing of the certificate.

14 ~~(4)~~ (10) Certificates of number ~~do~~ shall expire on  
 15 April 30 of each ~~calendar~~ year and ~~shall no longer may not~~  
 16 be ~~of any~~ in effect unless renewed under this act.

17 ~~(4)~~ (11) In event of transfer of ownership, the  
 18 purchaser shall furnish the county treasurer notice within  
 19 reasonable time of the acquisition of all or any part of his  
 20 interest, other than the creation of a security interest, in  
 21 a motorboat numbered in this state ~~under this section~~, or of  
 22 the loss, theft, destruction, or abandonment of the  
 23 motorboat, ~~within reasonable time thereof. Such The~~  
 24 transfer, loss, theft, destruction, or abandonment shall  
 25 ~~terminate~~ terminates the certificate of number for the

1 motorboat, ~~except that in the case of a recovery~~ Recovery  
 2 from theft, or transfer of a part interest ~~which that~~ does  
 3 not affect the owner's right to operate the motorboat, ~~the~~  
 4 ~~recovery or transfer~~ does not terminate the certificate of  
 5 number.

6 ~~(4)~~ (12) A holder of a certificate of number shall  
 7 notify the county treasurer within reasonable time if his  
 8 address no longer conforms to the address appearing on the  
 9 certificate and ~~shall, as a part of the notification,~~  
 10 furnish the county treasurer with his new address. The  
 11 registrar of motor vehicles may provide in ~~its~~ bureau rules  
 12 for the surrender of the certificate bearing the former  
 13 address and its replacement with a certificate bearing the  
 14 new address or the alteration of an outstanding certificate  
 15 to show the new address of the holder.

16 ~~(4)~~ (13) No number other than the number and license  
 17 decal awarded to a motorboat or granted reciprocity under  
 18 this act, shall be painted, attached, or otherwise displayed  
 19 on either side of the forward half of the motorboat.

20 ~~(4)~~ (14) Fees collected under this section shall be  
 21 transmitted to the state treasurer who shall deposit the  
 22 fees in the motorboat certificate identification account of  
 23 an earmarked revenue fund. These fees shall be used only for  
 24 the administration and enforcement of ~~sections~~ 69-3501  
 25 through 69-3518.

1 ~~(\*)~~ (15) An owner of a motorboat must within reasonable  
 2 time notify the registrar of motor vehicles, giving the  
 3 motorboat's identifying number and the owner's name, ~~within~~  
 4 ~~reasonable time,~~ when that motorboat becomes documented as a  
 5 vessel of the United States, or is transferred, lost,  
 6 destroyed, abandoned, frauded, or ~~within sixty (60) days~~  
 7 after change of state of principal use."

8 Section 80. Section 75-7104, R.C.M. 1947, is amended  
 9 to read as follows:

10 \*75-7104. Limitations on amount of bond issue. (1) The  
 11 maximum amount for which each school district ~~shall pay~~  
 12 become indebted by the issuance of bonds, including all  
 13 indebtedness represented by outstanding bonds of previous  
 14 issues and registered warrants, is ~~eight percent (8%)~~ 29% of  
 15 the ~~assessed taxable~~ value of the ~~taxable~~ property ~~therein~~  
 16 subject to taxation as ascertained by the last completed  
 17 assessment for state, county, and school taxes previous to  
 18 the incurring of such indebtedness. The ~~eight percent (8%)~~  
 19 29% maximum, however, ~~shall pay~~ not pertain to indebtedness  
 20 imposed by special improvement district obligations or  
 21 assessments against the school district. All bonds issued  
 22 in excess of such amount shall be null and void, except as  
 23 provided in ~~subsection (2) this section.~~

24 (2) When the total indebtedness of a school district  
 25 has reached the ~~eight percent (8%)~~ 29% limitation prescribed

1 in this section, ~~such the~~ school district ~~shall have the~~  
 2 ~~power and authority to pay~~ pay all reasonable and necessary  
 3 expenses of the school district on a cash basis in  
 4 accordance with the financial administration provisions of  
 5 this ~~title~~ chapter. Whenever bonds are issued for the  
 6 purpose of refunding bonds, any moneys to the credit of the  
 7 debt service fund for the payment of the bonds to be  
 8 refunded ~~shall be~~ are applied towards the payment of such  
 9 bonds and the refunding bond issue ~~shall be~~ is decreased  
 10 accordingly.

11 ~~(2) (3)~~ In the ~~case of~~ a school district within which a  
 12 new major industrial facility which seeks to qualify for  
 13 taxation as class seven ~~(7)~~ property under ~~section 84-301,~~  
 14 ~~R.C.M. 1947, 84-301.8~~ is being constructed or is about to be  
 15 constructed, the school district may require, as a  
 16 precondition of the new major industrial facility qualifying  
 17 as class seven ~~(7)~~ property, that the owners of the proposed  
 18 industrial facility enter into an agreement with the school  
 19 district concerning the issuing of bonds in excess of the  
 20 ~~eight percent (8%)~~ 29% limitation prescribed in ~~subsection~~  
 21 ~~one (1) this section.~~ Under such an agreement, the school  
 22 district may, with the approval of the voters, issue bonds  
 23 which exceed the limitation prescribed in ~~subsection one (1)~~  
 24 this section by a maximum of ~~eight percent (8%)~~ 29% of the  
 25 estimated ~~assessed taxable~~ value of the ~~taxable~~ property of



1 the new major industrial facility subject to taxation when  
 2 completed. The estimated assessed taxable value of the  
 3 ~~taxable~~ property of the new major industrial facility  
 4 subject to taxation shall be computed by the department of  
 5 revenue when requested to do so by a resolution of the board  
 6 of trustees of the school district, and a copy of the  
 7 department's statement of estimated assessed taxable value  
 8 shall be printed on each ballot used to vote on a bond issue  
 9 proposed under this ~~subsection~~ section.

10 (4) Pursuant to the agreement between the new major  
 11 industrial facility and the school district, and as a  
 12 precondition to qualifying as class seven ~~(7)~~ property, the  
 13 new major industrial facility and its owners shall pay in  
 14 addition to ~~such~~ the taxes ~~as may be~~ imposed by the school  
 15 district on property owners generally ~~pay~~, so much of the  
 16 principal and ~~interests~~ interest on the bonds provided for  
 17 under this ~~subsection~~ section as ~~shall represent~~ represents  
 18 payment on an indebtedness in excess of the limitation  
 19 prescribed in ~~subsection one (1)~~ this section. After the  
 20 completion of the new major industrial facility and when the  
 21 indebtedness of the school district no longer exceeds the  
 22 limitation prescribed in ~~subsection one (1)~~ this section,  
 23 the new major industrial facility shall be entitled, after  
 24 all the current indebtedness of the school district has been  
 25 paid, to a tax credit over a period of no more than ~~twenty~~

1 ~~(20)~~ years, ~~which~~ The credit shall, as a total amount, be  
 2 equal to the amount by which the facility paid the principal  
 3 and interest of the school district's bonds in excess of its  
 4 general liability as a taxpayer within the district.

5 (5) A major industrial facility is a facility, subject  
 6 to the taxing power of the school district, whose  
 7 construction or operation will increase the population of  
 8 the district, ~~so as to impose~~ imposing a significant burden  
 9 upon the resources of the district and ~~to require~~ requiring  
 10 construction of new school facilities. A significant burden  
 11 is an increase in ANB of at least ~~twenty percent (20%)~~ in a  
 12 single year."

13 Section 41. Section 75-8104, R.C.M. 1947, is amended  
 14 to read as follows:

15 "75-8104. Requirements for organization of community  
 16 college district. The registered electors in any area of the  
 17 state of Montana may request an election for the  
 18 organization of a community college district where the  
 19 proposed community college district conforms to the  
 20 following requirements:

21 (1) The proposed area ~~shall coincide~~ coincides with  
 22 the then-existing boundaries of contiguous elementary  
 23 districts of one or more counties.

24 (2) The ~~assessed valuation~~ taxable value of the  
 25 proposed area is at least ~~thirty million dollars~~

1 ~~(\$30,000,000)~~ \$1 million.

2 (3) There are at least ~~seven hundred (700)~~ pupils  
3 regularly enrolled in public and private high schools  
4 located in the proposed area."

5 Section 42. Section 84-101, R.C.M. 1947, is amended to  
6 read as follows:

7 "84-101. Definition of terms. ~~Whenever the When terms~~  
8 mentioned in this section are ~~employed in dealing with the~~  
9 ~~subject of~~ used in connection with taxation, they are  
10 ~~employed in the sense hereafter affixed to them.~~ defined in  
11 the following manner:

12 First— (1) The term "property" includes moneys,  
13 credits, bonds, stocks, franchises, and all other matters  
14 and things real, personal, and mixed, capable of private  
15 ownership, ~~but this~~ This definition must not be construed  
16 ~~so as~~ to authorize the taxation of the stocks of any company  
17 or corporation when the property of such company or  
18 corporation represented by ~~such~~ the stocks is within the  
19 state and has been taxed.

20 Second— (2) The term "real estate" includes:

21 1- (a) ~~The~~ the possession of, claim to, ownership of,  
22 or right to the possession of land;

23 2- (b) ~~All~~ all mines, minerals, and quarries in and  
24 under the land, subject to the provisions of ~~section~~  
25 84-5401, all timber belonging to individuals or

1 corporations growing or being on the lands of the United  
2 States; and all ~~right~~ rights and privileges appertaining  
3 thereto.

4 3. Improvements.

5 ~~Third— (3)~~ The term "improvements" includes all  
6 buildings, structures, fixtures, fences, and improvements,  
7 ~~including mobile homes and house trailers~~ situated upon,  
8 erected upon, or affixed to land, ~~when~~ When the department  
9 of revenue or its agent determines that the permanency of  
10 location of ~~the~~ a mobile home or housetrailer has been  
11 established, ~~and for this purpose any~~ the mobile home or  
12 housetrailer is presumed to be an improvement to real  
13 property. If the mobile home or house trailer is an  
14 improvement located on land not owned by the owner of such  
15 improvement, the improvement ~~shall be~~ is assessed as a  
16 leasehold improvement to real property and delinquent taxes  
17 can be a lien only on the leasehold improvement.

18 Fourth— (4) The term "personal property" includes  
19 everything ~~which~~ that is the subject of ownership, ~~but that~~  
20 is not included within the meaning of the term "real estate"  
21 and "improvements".

22 ~~Fifth— The terms "value" and "full cash value" mean the~~  
23 ~~amount at which the property would be taken in payment of a~~  
24 ~~just debt due from a solvent debtor.~~

25 Sixth— (5) The term "credit" means ~~those~~ solvent debts,

1 secured or unsecured, owing to a person.

2 ~~Seventh—(6)~~ The term "mobile home" means forms of  
3 housing known as "trailers", "house trailers", or "trailer  
4 coaches" exceeding eight ~~(8)~~ feet in width or ~~thirty-two~~  
5 ~~(32)~~ feet in length, designed to be moved from one place to  
6 another by an independent power connected ~~thereto~~ to them.

7 (7) The term "assessed value" means the value of  
8 property as defined in 84-401.

9 (8) The term "taxable value" means the percentage of  
10 assessed value as provided for in 84-301.2 through 84-301.15  
11 and 84-308."

12 Section 43. Section 84-402, R.C.M. 1947, is amended to  
13 read as follows:

14 ~~"84-402. Department of revenue to determine and show~~  
15 ~~percentage basis and taxable value computed thereon and~~  
16 ~~county County assessor to be agents agent of the state~~  
17 ~~department of revenue. (1) The percentage basis of true and~~  
18 ~~full value as provided for in section 84-302, shall be~~  
19 ~~determined and assigned by the state department of revenue~~  
20 ~~or its agents, and the taxable value thereupon computed when~~  
21 ~~they make their annual assessments, and copies of such~~  
22 ~~assessments as provided for in section 84-411 shall show the~~  
23 ~~taxpayer the percentage class to which his various classes~~  
24 ~~of property for taxation and the taxable valuation thereof~~  
25 ~~have been assigned. (2)(1) The county assessors of the~~

1 various counties of the state of Montana are agents of the  
2 state department of revenue for the purpose of locating and  
3 providing the department a description of all taxable  
4 property within the county together with other pertinent  
5 information, and for the purpose of performing such other  
6 administrative duties as are required for placing taxable  
7 property on the assessment roles. The assessors shall  
8 perform such other duties as are required by law, not in  
9 conflict with the provisions of this subsection.

10 ~~(2)(2)~~ The department of revenue shall have full  
11 charge of ~~appraising~~ assessing all property subject to  
12 taxation and equalizing values and shall secure such  
13 personnel as is necessary to properly perform ~~their~~ its  
14 duties.

15 ~~(4)(3)~~ The ~~salaries~~ salary of the county assessor  
16 shall be the same amount as provided by law for the salary  
17 of the county clerk and recorder; deputy assessors' salaries  
18 shall be the same as paid the deputy clerk and recorder.

19 ~~(5)(4)~~ The county commissioners of the various  
20 counties shall provide existing office space in the county  
21 courthouse for use by the county assessor, his deputies and  
22 staff, and the state appraiser and staff, if such space is  
23 reasonably available, ~~if~~ if such space is not reasonably  
24 available in the courthouse and the same must be contracted  
25 for, the department shall pay the cost thereof. Additional

1 personal property required by the department for the  
2 assessor to perform his duties as agent of the department  
3 shall be provided by the department."

4 Section 44. Section 84-404, R.C.M. 1947, is amended to  
5 read as follows:

6 "84-404. ~~State department~~ Department of revenue to  
7 assign percentage basis, ~~==~~ when. The percentage basis of  
8 ~~true and full assessed~~ value as provided for in ~~section~~  
9 ~~84-303, shall be 84-301.2 through 84-301.15 and 84-308 is~~  
10 determined and assigned by the state department of revenue,  
11 ~~or its agent~~ when it makes its annual assessment of the  
12 property, ~~which it is required to assess~~ under the laws of  
13 this state, ~~and The department~~ shall transmit such  
14 determination and assignment to the various county clerks  
15 with the assessments so made, and its determination ~~shall be~~  
16 ~~is~~ final except as to the right of review in the proper  
17 court."

18 Section 45. Section 84-406, R.C.M. 1947, is amended to  
19 read as follows:

20 "84-406. ~~Time of assessment motor vehicles~~  
21 ~~mobile homes livestock snowmobiles~~ General assessment  
22 day. (1) The department of revenue or its agent must,  
23 ~~between the first day of January 1 and the second Monday of~~  
24 July in each year, ascertain the names of all taxable  
25 inhabitants, and assess all property in each county subject

1 to taxation, ~~except such as is required to be assessed by~~  
2 ~~the state department of revenue, and The department or its~~  
3 agent must assess ~~such~~ property to the ~~persons person~~ by  
4 whom it was owned or claimed, or in whose possession or  
5 control it was at 12 midnight of ~~the first day of~~ January 1  
6 next preceding. It must also ascertain and assess all  
7 mobile homes arriving in the county after 12 midnight of ~~the~~  
8 ~~first day of~~ January 1 next preceding.

9 (2) The procedure provided by this section shall ~~may~~  
10 not apply to.

11 (a) ~~Motor motor~~ vehicles ~~which that~~ are required by  
12 ~~subdivision (2) hereof~~ subsection (4) to be assessed ~~as of~~  
13 ~~the first day of on~~ January 1, or upon their anniversary  
14 registration date, ~~but no~~ No mistake in the name of the  
15 owner or supposed owner of real property, ~~however,~~ renders  
16 the assessment ~~thereof~~ invalid.

17 (b) ~~Livestock~~ livestock which are required by  
18 ~~subdivision (2)~~ subsection (5) of this section to be  
19 assessed on an average inventory basis in each county;  
20 ~~Credits must be assessed provided in section 84-101,~~  
21 ~~subdivision 6.~~

22 (c) ~~Property~~ property defined in ~~section~~ 53-642 as  
23 "special mobile equipment" ~~which that~~ is subject to  
24 assessment of for personal property taxes on the date that  
25 application is made for a special mobile equipment plate;

1 (d) ~~mobile~~ mobile homes held by a distributor or  
2 dealer of mobile homes as a part of his stock in trade; and

3 ~~(e) Campers which are required by subdivision 4 hereof~~  
4 ~~to be assessed as of the first day of January.~~

5 ~~(f) (e) Snowmobiles which snowmobiles that~~ are required  
6 by ~~subdivision 5 hereof~~ subsection (8) to be assessed as of  
7 the ~~first day of July 1.~~

8 (3) Credits must be assessed as provided in 84-101,  
9 subsection (5).

10 ~~(2) (4)~~ The department or its agent must ascertain and  
11 assess all motor vehicles, except mobile homes, in each  
12 county subject to taxation as of January 1, or as of the  
13 anniversary registration date of those vehicles subject to  
14 sections 53-154 through 53-162, in each year, ~~and the same~~  
15 The motor vehicles shall be assessed to the persons by whom  
16 owned or claimed, or in whose possession or control such  
17 ~~vehicle was they were~~ at 12 midnight of the ~~first day of~~  
18 January 1 or the anniversary registration date thereof,  
19 whichever is applicable, in each year. ~~Provided that such No~~  
20 ~~tax shall not may~~ be assessed against motor vehicles ~~which~~  
21 that constitute inventory of motor vehicle dealers as of  
22 January 1, ~~but said These~~ vehicles, and all other motor  
23 vehicles brought into the state subsequent to January 1, as  
24 motor vehicle ~~dealer's dealers' inventory, inventories~~ shall  
25 be assessed to their respective purchasers as of the dates

1 said the vehicles are registered by said the purchasers,  
2 ~~and purchasers means and~~ "Purchasers" includes dealers who  
3 apply for registration or re-registration reregistration of  
4 motor vehicles, except as otherwise provided by section  
5 32-3315. Goods, wares, and merchandise of motor vehicle  
6 dealers, other than new motor vehicles and new mobile homes,  
7 shall be assessed at ~~full and true~~ market value as of the  
8 ~~first day of January 1.~~

9 ~~(5) Except that this paragraph shall not apply to an~~  
10 ~~applicant for registration or re-registration of a mobile~~  
11 ~~home, nothing herein contained shall relieve the The~~  
12 applicant for registration or re-registration reregistration  
13 of any other a motor vehicle, other than a mobile home, is  
14 not relieved ~~so assessed or subject to assessment~~ of the  
15 duty of paying taxes ~~thereon as a condition precedent to~~  
16 ~~registration or re-registration in the event said if the~~  
17 taxes have not been paid by ~~any~~ a prior applicant or owner  
18 in all cases where taxes were required to be paid.

19 ~~(3) (6)~~ The assessed value of livestock in each county  
20 on the assessment date ~~shall be is~~ computed by adding the  
21 assessed value of all livestock more than ~~six~~ ~~(9)~~ months of  
22 age owned by the taxpayer in each county on the last day of  
23 each month since the last assessment date and dividing the  
24 sum by ~~twelve~~ ~~(12)~~. For purposes of this subdivision  
25 subsection, "livestock" means cattle, sheep, horses, and

1 mules.

2 ~~(4)(7)~~ The department of revenue or its agent must  
3 ascertain ~~and~~ assess all campers in each county subject to  
4 taxation as of January 1 in each year, ~~and the same~~ The  
5 campers shall be assessed to the persons including dealers  
6 by whom owned or claimed, or in whose possession or control  
7 ~~each camper was, including dealers, they were~~ at 12 midnight  
8 of ~~the first day of~~ January 1 in each year.

9 ~~(5)(8)~~ The department of revenue or its agent must  
10 ascertain ~~and~~ assess all snowmobiles in each county subject  
11 to taxation as of July 1 in each year, ~~and the same~~ A  
12 snowmobile shall be assessed to the person by whom  
13 owned or claimed, or in whose possession or control ~~each~~  
14 snowmobile ~~it~~ was at 12 midnight ~~on the first day of~~ July 1  
15 in each year, ~~provided, however, that except~~ snowmobiles  
16 ~~which constitute in the~~ inventory of snowmobile dealers  
17 which shall be assessed to the dealers as of 12 midnight of  
18 ~~the first day of~~ January 1 in each year, ~~and further~~  
19 ~~provided that all snowmobiles that have been assessed and~~  
20 ~~for which taxes have been paid for the period of January 1,~~  
21 ~~1975 through December 31, 1975, shall be assessed for only~~  
22 ~~six (6) months during the period July 1, 1975 through June~~  
23 ~~30, 1976."~~

24 Section 46. Section 84-602, R.C.M. 1947, is amended to  
25 read as follows:

1 "84-602. Equalization of assessments. ~~The department~~  
2 ~~of revenue has power after~~ After giving notice, in writing,  
3 to ~~the a~~ taxpayer, by registered or certified mail,  
4 addressed to him at his last known place of residence, of  
5 its intention, ~~to the department of revenue may~~ increase or  
6 lower ~~his the taxpayer's~~ assessment contained in the  
7 assessment book, ~~so as~~ to equalize the assessment of the  
8 property ~~contained therein~~ and make the assessment conform  
9 to the ~~true assessed~~ value of such property ~~is money, as~~  
10 defined in 84-401 and 84-308, which The notice shall specify  
11 ~~the date and hour when he the taxpayer may appear and be~~  
12 heard thereon, ~~which date shall at a date and hour not be~~  
13 less than ~~five (5)~~ days from date of mailing ~~such the~~  
14 notice, ~~and immediately~~ immediately after reaching a  
15 decision, the department shall notify the taxpayer, in  
16 writing, of ~~such the~~ decision, specifying the change, if  
17 any, made in the assessment, ~~said The~~ notice ~~to must~~ be  
18 given by registered or certified mail, and addressed to the  
19 taxpayer at his last known place of residence. The  
20 department may also ~~be~~ ~~power to~~ raise or lower the  
21 valuation of all the property in a class by a certain  
22 percentage, ~~in the event that if~~ any class of property is  
23 assessed as a class, at more or less than its ~~actual~~  
24 assessed value, as defined by 84-401 by ~~to the department's~~  
25 agent and if the valuation of ~~such~~ property within the

1 county demands a general reclassification."

2 Section 47. Section 84-708.1, R.C.M. 1947, is amended  
3 to read as follows:

4 "84-708.1. Powers and duties of the state department  
5 of revenue. (1) ~~To~~ The department of revenue shall annually  
6 assess the franchise, roadway, roadbeds, rails, and rolling  
7 stock, and all other property of all railroads, ~~and the~~  
8 pole lines and ~~rights-of-way~~ rights-of-way and all other  
9 property of all telegraph and telephone lines, electric  
10 power and transmission lines, ditches, canals, and flumes,  
11 and other similar property, constituting a single and  
12 continuous property operated in more than one ~~(4)~~ county in  
13 the state, or more than one ~~(4)~~ state. To apportion ~~such the~~  
14 assessments to the counties in which ~~such the~~ properties are  
15 located on a mileage basis, or if the property of any  
16 company assessable under this section is of such a character  
17 that its value cannot reasonably be apportioned on the basis  
18 of mileage, the department may adopt ~~such any~~ other method  
19 or basis of apportionment to the county or counties in which  
20 the property is situated as may be just and proper.

21 (2) All The department may not consider the following  
22 property as part of any single or continuous property: lots  
23 and parcels of real estate not included in ~~right-of-way~~  
24 right-of-way, with the buildings, structures, and  
25 improvements thereon, dams and power houses, depots,

1 stations, shops, and other buildings, erected upon ~~right-of~~  
2 way, right-of-way; and furniture, machinery, and other  
3 personal property, ~~shall not be considered as a part of any~~  
4 ~~such single and continuous property, but shall be considered~~  
5 ~~as separate and distinct therefrom, and shall be~~ The  
6 property is considered separate and distinct and is assessed  
7 by the agent of the department of revenue in the county  
8 ~~wherein they are situate~~ where it is situated.

9 ~~(3) To~~ The department shall transmit to the county  
10 clerk of each county its apportionment of all assessments  
11 made by the department.

12 ~~(4) To~~ The department shall adjust and equalize the  
13 valuation of taxable property among the several counties,  
14 and the different classes of taxable property in any county  
15 and in the several counties and between individual  
16 taxpayers; supervise and review the acts of agents of the  
17 department; change, increase, or decrease valuations made by  
18 its agents; and exercise such authority and do all things  
19 necessary to secure a fair, just, and equitable valuation of  
20 all taxable property among counties between the different  
21 classes of property and between individual taxpayers.

22 ~~(4) To have and~~ The department shall exercise  
23 general supervision over the administration of the  
24 assessment and tax laws of the state, and over its agents  
25 and any officers of municipal corporations, having any

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

20 ~~(5)(6)~~ The department may confer with, advise, and  
 21 direct officers of municipal corporations as to their  
 22 duties, with respect to taxation, under the statutes of the  
 23 state.

24 ~~(6)(7)~~ The department shall direct proceedings,  
 25 actions, and prosecutions to be instituted to enforce the

1 laws relating to the penalties, liabilities, and punishment  
 2 of public officials and persons, or their agents, for  
 3 failure or neglect to comply with the provisions of the  
 4 statutes governing the revenue of the state or municipal  
 5 corporations, ~~and to~~ The department shall cause complaints  
 6 to be made against assessors and other public officers to  
 7 the proper district court for their removal from office for  
 8 official misconduct or neglect of duty.

9 ~~(7)(8)~~ The department shall require county  
 10 attorneys to assist in the commencement and prosecution of  
 11 actions and proceedings for penalties, forfeitures,  
 12 removals, and punishment for violations of the laws of the  
 13 state in respect to the assessment of property and other  
 14 revenue laws, in their respective counties.

15 ~~(8)(9)~~ The department shall collect annually from  
 16 the proper officers of the municipal corporations  
 17 information ~~as to~~ about the assessment of property,  
 18 collection of taxes, receipts from licenses and other  
 19 sources, the expenditure of public funds for all purposes,  
 20 and such other information as may be needful and helpful in  
 21 the work of the department in such form and upon such blanks  
 22 as the department shall prescribe, ~~and it~~ It shall be the  
 23 duty of all public officers so called upon to fill out  
 24 properly and return promptly to the department all blanks so  
 25 transmitted and in every way aid the department in its



1 work, ~~to~~ The department may examine the records of all  
 2 municipal corporations for such purposes as are deemed  
 3 needful or helpful ~~by the department.~~

4 ~~(9)(10) In~~ The department may, in its discretion, ~~to~~  
 5 inspect and examine, or cause an inspection and examination  
 6 of the records of the officers of any municipality, whenever  
 7 ~~such an~~ officer ~~shall have~~ has failed, neglected, or refused  
 8 to return properly the information required by this section  
 9 within the time set by the department. Upon completion of  
 10 such inspection and examination, the department shall  
 11 transmit to the clerk, or other proper official of the  
 12 municipality, a statement of the expenses incurred by the  
 13 department to secure the necessary information. Within  
 14 ~~sixty~~ ~~(60)~~ days after the receipt by the municipality of the  
 15 above statement, the same shall be audited, as other claims  
 16 of the municipal corporation are audited and shall be paid  
 17 into the state treasury, ~~and if~~ If the ~~same~~ statement is not  
 18 ~~so~~ paid, the attorney general shall institute an action, in  
 19 the proper court, against the municipality to recover the  
 20 same. The officers responsible for the furnishing of the  
 21 information collected pursuant to this section, shall be  
 22 jointly and severally liable for any loss the municipality  
 23 may suffer, through their delinquency, ~~and no~~ No payment  
 24 ~~shall~~ may be made to them for salary, or on any other  
 25 account, until the cost of such inspection and examination

1 as provided above ~~shall have~~ has been paid into the  
 2 treasury, or to the proper officers of such municipality.  
 3 They shall also be subject to ~~such~~ the other fines and  
 4 penalties as prescribed by law.

5 ~~(10)(11) To~~ The department may require persons, as  
 6 defined above, to furnish information concerning their  
 7 capital, funded or other debt, current assets and  
 8 liabilities, cost and value of property, earnings, operating  
 9 and other expenses, taxes, and all other facts which may  
 10 enable the department to ascertain the value of the relative  
 11 burdens borne by all kinds of property and occupations in  
 12 the state.

13 ~~(11)(12) To~~ The department may summon witnesses to  
 14 appear and give evidence, and to produce records, books,  
 15 papers, and documents relating to any matter which the  
 16 department ~~shall have~~ has authority to investigate and  
 17 determine.

18 ~~(12)(13) To~~ The department may cause the deposition of  
 19 witnesses residing within or without the state, or absent  
 20 therefrom, to be taken upon notice to the interested party,  
 21 if any, in like manner that depositions are taken in actions  
 22 pending in the district court, in any matter which the  
 23 department ~~shall have~~ has authority to investigate and  
 24 determine.

25 ~~(13)(14) To~~ The department may examine ~~into~~ all cases

1 where evasion or violation of the laws for taxation of  
 2 property, proceeds, occupation, or business is alleged,  
 3 complained of, or discovered, and to ascertain wherein  
 4 existing laws are ineffective or are improperly or  
 5 negligently administered.

6 ~~(14)~~ (15) ~~to~~ The department may investigate the tax  
 7 systems of other states and countries and ~~to~~ formulate and  
 8 recommend legislation for the better administration of the  
 9 fiscal laws so as to secure just and equal taxation and  
 10 improvement in the system of taxation and the economical  
 11 expenditure of public revenue in the state.

12 ~~(15)~~ (16) ~~to~~ The department may consult and confer with  
 13 the governor of the state upon the subject of taxation, the  
 14 administration of the laws relating thereto, and the  
 15 progress of the work of the department, and ~~to~~ furnish the  
 16 governor such assistance as he may require.

17 ~~(16)~~ (17) ~~to~~ The department shall transmit to the  
 18 governor and to each member of the legislature ~~twenty~~ (20)  
 19 days before the meeting of the legislature, a report of the  
 20 department, showing all the taxable property of the state  
 21 and ~~the its~~ its value ~~of the same~~ in tabulated form, with  
 22 recommendations for improvements in the system of taxation,  
 23 together with ~~such~~ measures as may be formulated for the  
 24 consideration of the legislature, ~~and to~~ The department may  
 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)~~ (18) In its discretion, ~~to~~ the department may waive  
 6 the assessment of penalty for the late filing of any tax  
 7 statement or return required to be filed with the department  
 8 when the filing is done within ~~five~~ (5) days of the date  
 9 specified for filing the return or statement, and ~~for~~ the  
 10 late payment of any tax collected by the department when the  
 11 payment is made within ~~five~~ (5) days of the date specified  
 12 for payment of the tax.

13 ~~(18)~~ (19) In its discretion, the department may ~~to~~ enter  
 14 into reciprocal agreements with the taxing authorities of  
 15 states contiguous to the state of Montana which tax the  
 16 income of Montana residents earned in that state to provide  
 17 that the tax imposed by Title 84, chapter 49, ~~R.C.M. 1947,~~  
 18 on income derived by persons who are nonresidents of this  
 19 state ~~shall need~~ shall need not be ~~payable~~ paid when such other state  
 20 or states agree to grant similar treatment to residents of  
 21 Montana."

22 Section 48. Section 84-728, R.C.M. 1947, is amended to  
 23 read as follows:

24 "84-728. Valuation of interstate fleets —  
 25 determination of aggregate tax due. The ~~state~~ department of

1 revenue shall assess any interstate motor vehicle fleet  
2 making application for proportional registration as follows:

3 ~~(a)~~ (1) The purchase price depreciated by a schedule as  
4 prescribed by the department shall determine the depreciated  
5 value.

6 ~~(b)~~ (2) The depreciated value multiplied by the per  
7 cent percent of miles traveled in Montana as prescribed by  
8 ~~section 53-712~~ shall be the assessed value.

9 ~~(c)~~ (3) The sum of the assessed value of all vehicles  
10 included in the fleet multiplied by ~~twenty (20) per cent~~ 12%  
11 shall be the taxable value for the entire fleet.

12 ~~(d)~~ (4) To determine the amount of tax due, the taxable  
13 value of the entire fleet shall be multiplied by the  
14 ~~state-wide~~ statewide average county mill levy plus state  
15 levies as hereinafter provided."

16 Section 49. Section 84-4605, R.C.M. 1947, is amended  
17 to read as follows:

18 "84-4605. Taxation of banks and shares of stock in.

19 (1) Every state bank or banking corporation located and  
20 doing business in this state, and every private banker doing  
21 business in this state, shall be ~~taxable~~ taxed upon the  
22 value of all real estate and personal property owned by ~~each~~  
23 the bank, banking corporation, or private banker, ~~and also~~  
24 upon the moneyed capital employed in ~~each the~~ business, ~~each~~  
25 and upon the moneyed capital to be ascertained as provided

1 by ~~section 84-301,~~ 84-301, 14, and ~~the~~ The cashier or  
2 secretary of every ~~such~~ bank or banking corporation, and  
3 every ~~such~~ private banker, shall furnish to the department  
4 of revenue or its agent in the county in which its or his  
5 bank is located, within ~~five~~ 5 days after demand therefor, a  
6 statement verified by his oath, showing all the resources  
7 and liabilities of ~~such the~~ bank as disclosed by its books,  
8 at the close of business on December 31 of the preceding  
9 year, ~~if such~~ if the cashier, secretary, or private banker  
10 ~~shall fail~~ fails to make the statement, ~~whereby required,~~ the  
11 department or its agent shall forthwith obtain ~~such the~~  
12 information from any other available source, and for this  
13 purpose shall have access to the books of ~~such the~~ bank,  
14 banking corporation, or private banker. The department or  
15 its agent shall thereupon make an assessment of the real  
16 estate and personal property owned by ~~such the~~ bank, banking  
17 corporation, or private banker, and of the moneyed capital  
18 employed in the business of ~~such the~~ bank, banking  
19 corporation, or private banker, ~~which The~~ assessment shall  
20 be as fair and equitable as can be made from the best  
21 information available, ~~or, for~~ for the purpose of ~~said the~~  
22 assessment, the figures disclosed by any prior report made  
23 by ~~such the~~ bank, banking corporation, or private banker to  
24 any state or federal officer pursuant to any state or  
25 federal law may be adopted. Any person required by this

1 section to make the statement hereinabove provided, who  
 2 ~~shall fail fails~~ to furnish ~~the same, it~~ shall be guilty of  
 3 a misdemeanor and ~~shall be~~ punished accordingly.

4 (2) All shares of stock in any ~~such~~ bank or banking  
 5 corporation shall be assessed at their full cash value,  
 6 except to the extent that that value is represented in  
 7 property which is assessable and taxable to ~~such the~~ bank or  
 8 banking corporation in this state, and shall be taxable to  
 9 the owners of ~~such the~~ shares in the county, school  
 10 district, city, town, or place where ~~such the~~ bank or  
 11 banking corporation is located ~~and not elsewhere, whether or~~  
 12 ~~not~~ the owners of ~~such the~~ shares are residents of such  
 13 county, school district, city, town, or place.

14 (3) The cashier or secretary of any ~~such~~ bank or  
 15 banking corporation shall furnish to the department or its  
 16 agent, upon demand, the name of each stockholder with his  
 17 residence and the number of shares belonging to him at the  
 18 close of business on December 31 of the preceding year, ~~and~~  
 19 ~~if such~~ if the cashier or secretary, for more than five 5  
 20 days after ~~such the~~ demand, ~~shall fail fails~~ to furnish such  
 21 information, he ~~shall be is~~ guilty of a misdemeanor and the  
 22 department or its agent may obtain ~~such~~ information from any  
 23 other available source, ~~and for such purposes shall have~~  
 24 ~~access to or from~~ the books of ~~such the~~ bank or banking  
 25 corporation. For convenience, the assessment of ~~such the~~

1 shares shall be entered on the personal property assessment  
 2 list under the name of the bank or banking corporation  
 3 concerned, but in the assessment list the names of the  
 4 owners of such shares shall be set forth and the number of  
 5 shares owned by each, ~~and such~~ The assessment, when so  
 6 entered, ~~shall have has~~ all the force and effect as if made  
 7 in the names of the owners of ~~such the~~ shares individually.  
 8 The bank or banking corporation in which ~~such the~~ shares are  
 9 owned ~~shall be is~~ liable for the payment of taxes assessed  
 10 against ~~such the~~ shares, and ~~such the~~ taxes ~~shall be are~~  
 11 payable by and ~~may be~~ collected from ~~such the~~ bank or  
 12 banking corporation in the same manner and under the same  
 13 penalties as other taxes, ~~provided that such the~~ bank or  
 14 banking corporation may recover from ~~such the~~ owners of  
 15 shares any taxes so paid on ~~such the~~ shares, and ~~shall have~~  
 16 has a lien therefor upon ~~such the~~ shares and upon any  
 17 dividends accrued or to accrue thereon."

18 Section 50. Section 84-4701, R.C.M. 1947, is amended  
 19 to read as follows:

20 "84-4701. Limitation on amount of tax for municipal  
 21 purposes — distribution of funds — levy for ~~park~~ parks,  
 22 swimming pools, playgrounds, youth centers, and other  
 23 purposes. The amount of taxes to be ~~assessed and~~ levied for  
 24 general municipal or administrative purposes in cities and  
 25 towns ~~must may~~ not exceed ~~two and four tenths (2.4%) per~~

1 ~~cents on the per centes 2.4%~~ of the assessed taxable value  
 2 of the ~~taxable~~ property of the city or town, subject to  
 3 taxation, ~~and the~~ The council or commission in each city or  
 4 town may distribute the money collected into ~~each the~~ funds  
 5 ~~as are~~ prescribed by ordinance, ~~provided, that for~~ For the  
 6 purpose of procuring, equipping, and maintaining public  
 7 parks, swimming pools, skating rinks, playgrounds, civic  
 8 centers, youth centers, museums, and combinations thereof,  
 9 the council or commission in any city or town may ~~assess and~~  
 10 levy, in addition to the ~~said~~ levy for general municipal or  
 11 administrative purposes, an amount not exceeding ~~seven (7)~~  
 12 mills on the dollar on the ~~per centes of the assessed~~  
 13 taxable value of the ~~taxable~~ property to be taxed of the  
 14 city or town."

15 Section 51. Section 84-4701.2, R.C.M. 1947, is amended  
 16 to read as follows:

17 "84-4701.2. Maximum rate of all-purpose levy.  
 18 ~~Notwithstanding the provisions of the statutes of Montana to~~  
 19 ~~the contrary (1) Except as provided elsewhere,~~ the cities  
 20 and towns of the state of Montana may make an all-purpose  
 21 annual levy upon the assessed taxable value of all the  
 22 taxable property in ~~each the~~ cities and towns, subject to  
 23 taxation for municipal purposes in lieu of the multiple  
 24 levies now authorized by statute. The total of ~~each the~~  
 25 all-purpose levy ~~shall may~~ not exceed ~~sixty-five (65)~~ mills

1 on the dollar, ~~which This~~ levy shall may not include any  
 2 levies necessary for bonded indebtedness, judgments, or  
 3 special improvement district revolving funds of  
 4 municipalities, which levies may be made in addition to  
 5 all-purpose levy as provided in ~~sections~~ 84-4701.1 and  
 6 84-4701.6. The moneys received from ~~each the~~ all-purpose  
 7 levy shall be accounted for in a common fund known as the  
 8 all-purpose general fund.

9 (2) An amount not to exceed ~~five per centes (5%)~~ of  
 10 the moneys received from and as a part of the all-purpose  
 11 levy aforesaid may be placed in a separate fund known as the  
 12 capital improvement program fund to be earmarked for the  
 13 replacement and acquisition of property, plant, or equipment  
 14 costing in excess of ~~five thousand dollars (\$5,000)~~ with a  
 15 life expectancy of ~~five (5)~~ years or more, provided that a  
 16 capital improvement program has been formally adopted by  
 17 city or town ordinance.

18 (3) The moneys held in the capital improvement program  
 19 fund shall, whenever possible, be invested in savings or  
 20 time deposits in a state or national bank insured by the  
 21 federal deposit insurance corporation or in direct  
 22 obligations of the United States government and credited  
 23 back to the fund plus interest earned."

24 Section 52. Section 84-4713, R.C.M. 1947, is amended  
 25 to read as follows:

1       "84-4713. Taxes in cities and towns ~~which that~~ have  
 2 exceeded the statutory limit of indebtedness. All taxes  
 3 ~~heretofore~~ levied and collected, or to be collected for  
 4 municipal and administrative purposes by any city or town,  
 5 in which the indebtedness ~~of which~~ equals or exceeds the  
 6 limit ~~provided allowed~~ in statute, may be used in payment of  
 7 current expenses during the fiscal year for which ~~said the~~  
 8 taxes were levied, ~~the same as though if~~ a special levy had  
 9 been made for each of ~~said the~~ purposes. ~~and the~~ The council  
 10 of any such city or town ~~is hereby authorized to pay~~  
 11 designate the amount of ~~said the~~ general levy applicable to  
 12 each of ~~said the~~ purposes, ~~and the~~ The amount so designated  
 13 ~~shall constitute constitutes~~ a special fund for the special  
 14 purpose of paying the expenses incurred for ~~each the~~  
 15 purpose, ~~and such The~~ expenses shall be payable out of ~~such~~  
 16 ~~the fund and not otherwise,~~ ~~provided, that~~ However, the  
 17 aggregate of all taxes authorized for general municipal and  
 18 administrative purposes shall ~~may~~ not exceed ~~one~~ and  
 19 ~~one-half per cent~~ 5 1/2% annually ~~upon of~~ the ~~per centum of~~  
 20 ~~the assessed taxable~~ value of all taxable property subject  
 21 to taxation in such city or town."

22       Section 53. Section 84-5103, R.C.M. 1947, is amended  
 23 to read as follows:

24       "84-5103. Taxation of credits of insurance companies  
 25 — other property. All property other than credits of

1 insurance companies required by law to have and maintain a  
 2 legal reserve for the protection of policyholders shall be  
 3 assessed, classified, and taxed as other property of like  
 4 character. Credits, including evidence of indebtedness  
 5 secured by mortgages, less legal reserves for the protection  
 6 of policyholders and other indebtedness, shall be classified  
 7 and taxed on the basis of ~~thirty per centum (30%)~~ of full  
 8 ~~each market~~ value as thus ascertained."

9       Section 54. Section 84-5211, R.C.M. 1947, is amended  
 10 to read as follows:

11       "84-5211. Limitation of levies — livestock moneys.  
 12 The amount of ~~each the~~ levy shall ~~may~~ not in any event  
 13 exceed ~~two (2)~~ mills upon the ~~assessed valuation taxable~~  
 14 ~~value~~ of sheep and ~~three (3)~~ mills upon the ~~assessed~~  
 15 ~~valuation taxable value~~ of other livestock, ~~which shall be~~  
 16 ~~levied~~ The levy is raised to aid in the payment of the  
 17 general ~~expense~~ expenses of the brands-enforcement functions  
 18 of the department of livestock, including salaries, office  
 19 ~~expense, detective expense, expense of~~ prosecution, travel,  
 20 and all incidental ~~expense~~ expenses. ~~and a~~ separate levy  
 21 ~~of not exceeding to exceed~~ three (3) mills on all livestock  
 22 may be raised for the use of the animal health functions of  
 23 the department of livestock ~~to be and~~ placed in ~~the an~~  
 24 earmarked revenue fund for the payment of indemnity for  
 25 animals slaughtered, ~~and~~ for salaries and expenses incurred

1 in investigating, controlling, and suppressing diseases,  
 2 including expenses of quarantine and salaries and expenses  
 3 incurred for such purposes, and for laboratory maintenance,  
 4 ~~provided further that~~ At the written request of the  
 5 department of livestock the state treasurer and state  
 6 controller, ~~at the written request of the department of~~  
 7 ~~livestock~~ shall set aside in a separate account in the  
 8 earmarked revenue fund ~~such any moneys~~ as may be available  
 9 and requested, ~~which~~ The moneys shall may be expended only  
 10 when the department of livestock determines that a livestock  
 11 disease emergency exists requiring its expenditure, ~~and they~~  
 12 ~~shall then be expended~~ for such purposes as the department  
 13 of livestock may order and direct."

14 Section 55. Section 84-5214, R.C.M. 1947, is amended  
 15 to read as follows:

16 "84-5214. Levy for bounty moneys — use of proceeds.  
 17 The department of revenue shall, annually ~~prescribe, make~~  
 18 ~~and~~ levy an ad valorem tax on all livestock in the state of  
 19 Montana for the purpose of protecting ~~such livestock them~~  
 20 against destruction, depredation, and injury by wild  
 21 animals, whether the livestock is on lands in private  
 22 ownership, in the ownership of the state, or in the  
 23 ownership of the United States, including open ranges and  
 24 all lands in or of the public domain. This protection may be  
 25 by all any means of effective predatory animal destruction,

1 extermination, and control, including systematic hunting,  
 2 ~~and trapping in planned campaigns, or otherwise,~~ and payment  
 3 of bounties, ~~against destruction, depredation and injury by~~  
 4 ~~wild animals, whether on lands in private ownership, in the~~  
 5 ~~ownership of the state, or in the ownership of the United~~  
 6 ~~States, including open ranges and all lands in or of the~~  
 7 ~~public domain. The tax levy shall may~~ not exceed in any one  
 8 ~~(1) year (a) one and one-half (1 1/2) mills on the assessed~~  
 9 ~~valuation taxable value~~ of all sheep, and ~~(b) one (1) mill~~  
 10 on the ~~assessed valuation taxable value~~ of other livestock.  
 11 The moneys received from ~~each the~~ tax levies shall be  
 12 transmitted monthly with other taxes for state purposes, by  
 13 the county treasurer of each county, to the state treasury,  
 14 ~~and be by the The~~ state treasurer ~~placed in and to the~~  
 15 ~~credit of the~~ shall place the money in an earmarked revenue  
 16 fund ~~{with the other moneys in that fund under the~~  
 17 ~~provisions of section as provided in 46-1901}, and ~~such The~~  
 18 moneys shall thereafter be paid out only on claims duly and  
 19 regularly presented to the department of livestock, and  
 20 ~~thereafter~~ approved by ~~said the~~ department, in accordance  
 21 with the law applicable either to claims for bounties, ~~when~~  
 22 ~~such claims are approved,~~ or ~~to claims~~ for other  
 23 expenditures necessary and proper for predatory animal  
 24 control by ~~other~~ means and methods other than payment of  
 25 bounties, as ~~may be~~ determined by the department of~~

1 livestock. All ~~such~~ the moneys shall be available for the  
 2 payment of bounty claims and for expenditures ~~in and~~ for  
 3 planned, seasonal, or other campaigns directed, or operated  
 4 by the department in cooperation with other agencies, for  
 5 the systematic destruction, extermination, and control of  
 6 predatory wild animals, as ~~may be~~ determined by the  
 7 department and ~~the~~ its advisory committee ~~thereto~~. No claims  
 8 shall ~~may~~ be approved in excess of moneys available for such  
 9 purposes, and no warrants shall ~~may~~ be registered against  
 10 ~~such~~ the moneys."

11 Section 56. Section 84-5216, R.C.M. 1947, is amended  
 12 to read as follows:

13 "84-5216. Tax levy for bounties on predatory animals.  
 14 Whenever the owners, ~~or~~ agent, or agents of ~~such~~ the owners,  
 15 representing ~~fifty-one per cent~~ 51% of the livestock of any  
 16 county in this state shall present a petition to the board  
 17 of county commissioners of such county, asking for the levy  
 18 of a tax upon the livestock of ~~such~~ the county for the  
 19 purpose of paying bounties on predatory animals killed in  
 20 ~~such~~ the county, it ~~shall be~~ is the duty of ~~such~~ the board  
 21 of county commissioners to make ~~such~~ the levy, which shall  
 22 ~~may~~ not exceed ~~ten~~ 10 mills on the dollar ~~on~~ of the assessed  
 23 ~~valuation~~ taxable value of all livestock in ~~such~~ the  
 24 county, ~~which~~ The tax shall be assessed and collected in  
 25 the same manner as all other state and county taxes."

1 Section 57. Section 84-5406, R.C.M. 1947, is amended  
 2 to read as follows:

3 "84-5406. Assessment of royalties. Upon receipt of the  
 4 list or schedule setting forth the names and addresses of  
 5 any and all persons, corporations, and associations owning  
 6 or claiming royalty, and the amount ~~or amounts~~ paid or  
 7 yielded as royalty to ~~such~~ the royalty owners or claimants  
 8 during the year for which ~~such~~ the return is made, the state  
 9 department of revenue shall proceed to ~~the assessment of all~~  
 10 ~~such~~ assess and tax the royalties, and ~~shall assess the same~~  
 11 ~~at the full cash value of the money or product yielded~~  
 12 ~~during such preceding calendar year, and the same shall be~~  
 13 ~~taxed~~ on the same basis as net proceeds of mines are taxed  
 14 as provided by ~~section 84-301~~ 84-301, 10."

15 Section 58. Section 84-6008, R.C.M. 1947, is amended  
 16 to read as follows:

17 "84-6008. Assessment of personal property brought into  
 18 the state — exceptions. (1) Property in the following cases  
 19 is subject to taxation and assessment for all taxes levied  
 20 that year in the county in which it is located:

21 (a) ~~any~~ any personal property, including livestock,  
 22 brought, driven, or coming into this state at any time  
 23 during the year ~~which~~ that is used in the state for hire,  
 24 compensation, or profit;

25 (b) ~~or~~ if the property whose owner and/or the user of



1 ~~the property~~ is engaged in gainful occupation or business  
2 enterprise in the state; or

3 (c) the property ~~otherwise~~ which comes to rest and  
4 becomes a part of the general property of the state, ~~shall~~  
5 ~~be subject to taxation and shall be assessed for all taxes,~~  
6 ~~levied or leviable for that year in the county in which the~~  
7 ~~case shall thus be,~~

8 (2) The taxes on this property are levied in the same  
9 manner and to the same extent, except as ~~hereinafter~~  
10 otherwise provided, as though ~~such~~ the property had been in  
11 the county on the regular assessment date, ~~provided that~~  
12 ~~such~~ the property has not been regularly assessed for the  
13 year in some other county of the state,

14 (3) ~~provided further that nothing herein contained~~  
15 Nothing in this section shall be construed ~~into authority~~ to  
16 ~~assess or levy any a tax against any a merchant or dealer~~  
17 within this state on goods, wares, or merchandise brought  
18 into the county to replenish the stock of ~~such~~ the merchant  
19 or dealer, in addition to the tax levied against the  
20 inventory of said merchant or dealer on the regular  
21 assessment date,

22 (4) ~~provided further that this act~~ This section shall  
23 not apply to motor vehicles brought, driven, or coming into  
24 this state by any nonresident, migratory, bona fide  
25 agricultural workers temporarily employed in agricultural

1 work in Montana ~~where said~~ if the motor vehicles are used  
2 exclusively for transportation of agricultural workers.

3 (5) Agricultural harvesting machinery classified under  
4 ~~Class 2 class two, section 84-301, R.C.M. 1947,~~ licensed in  
5 other states, and operated on the lands of persons other  
6 than the owner of the machinery, under contracts for hire  
7 shall be subject to a fee, in lieu of taxation, of  
8 ~~thirty five dollars (\$35) per machine for a sixty (60) day~~  
9 period. ~~Such~~ The machines shall be subject to taxation under  
10 ~~Class 2 class two only if they are sold in Montana."~~

11 Section 59. Section 84-6102, R.C.M. 1947, is amended  
12 to read as follows:

13 "84-6102. United States property held under contract  
14 of sale ~~assessment at full value.~~ When ~~such~~ the property  
15 is held under a contract of sale or other agreement whereby  
16 ~~on certain~~ upon payment or payments the legal title is or  
17 may be acquired by ~~such~~ the person, corporation, or  
18 association, ~~such~~ the real property shall be assessed and  
19 taxed as ~~for the full value thereof defined in 84-301.5,~~  
20 84-301.6, 84-301.8, 84-301.9, 84-301.11, 84-301.15, or  
21 84-401 without deduction on account of the whole or any part  
22 of the purchase price or other sum due on ~~such~~ the property  
23 remaining unpaid, ~~provided, that the~~ The lien for ~~such~~ the  
24 tax ~~shall neither~~ may not attach to, impair, ~~nor~~ or be  
25 enforced against any interest of the United States in ~~such~~

1 the real property."

2 Section 60. Section 84-6103, R.C.M. 1947, is amended  
3 to read as follows:

4 "84-6103. United States property held under lease —  
5 assessment at value of leasehold. When ~~such~~ the property is  
6 held under lease, or other interest, or estate therein less  
7 than the fee, except under contract of sale, ~~such~~ the  
8 property shall be assessed and taxed as for the ~~true cash~~  
9 value as defined in 84-301.2 through 84-301.15 and 84-401 of  
10 such leasehold, interest, or estate in ~~such~~ the property and  
11 the lien for ~~such~~ the tax shall attach to and be enforced  
12 against only the leasehold, interest, or estate in ~~such~~ the  
13 property, ~~provided, that where~~ when the United States  
14 authorizes the taxation of ~~such~~ the property for the full  
15 assessed value of the fee thereof, ~~such~~ the property shall  
16 be assessed for ~~such~~ full assessed value, as defined in  
17 84-401."

18 Section 61. Section 84-6205, R.C.M. 1947, is amended  
19 to read as follows:

20 "84-6205. Assessment of royalties. The amount of  
21 royalty received shall be considered net proceeds to the  
22 recipient and shall be assessed as follows: Upon upon  
23 receipt of the lists or schedules setting forth the names  
24 and addresses of any and all persons owning or claiming  
25 royalty, and the amount ~~or amount~~ paid or yielded as

1 royalty to such royalty owners or claimants during the year  
2 for which such return is made, the ~~state~~ department of  
3 revenue shall proceed to ~~the assessment of all such~~  
4 ~~royalties, and shall~~ assess and tax the same ~~at the full~~  
5 ~~cash value of the money or product yielded or accrued during~~  
6 ~~such preceding calendar year, and the same shall be taxed as~~  
7 net proceeds of mines."

8 Section 62. Section 84-6407, R.C.M. 1947, is amended  
9 to read as follows:

10 "84-6407. Transmission of statement of amount  
11 apportioned to counties. On or before the second Monday in  
12 July, the department shall apportion ~~such~~ the assessment to  
13 the counties in or through which the airline operates. The  
14 county assessor must enter the amount of the assessment  
15 apportioned to the county in the column of the assessment  
16 roll or book which shows the total value of all property for  
17 taxation in the county. The assessment shall be assigned to  
18 class 7 seven ~~having a taxable value of forty per cent (40%)~~  
19 ~~of assessed value."~~

20 Section 63. Section 84-7403, R.C.M. 1947, is amended  
21 to read as follows:

22 "84-7403. Tax treatment of certain energy-related  
23 investments. (1) Upon application by a taxpayer, approved  
24 under ~~section~~ 84-7404, a capital investment by the taxpayer  
25 in a recognized nonfossil form of energy generation shall be

1 treated by the department of revenue as:

2 (a) property exempt from taxation, to the extent the  
3 appraised assessed value of the investment does not exceed  
4 ~~one hundred thousand dollars (\$100,000)~~; or

5 (b) class seven property, as defined in sections  
6 ~~84-201 and 84-202, 84-301.8 for such portion of the~~  
7 appraised assessed value of the investment that exceeds ~~one~~  
8 ~~hundred thousand dollars (\$100,000)~~.

9 (2) Upon application by a taxpayer, approved under  
10 section 84-7404, a capital investment in a building by the  
11 taxpayer for an energy conservation purpose shall be treated  
12 by the department of revenue as class eight property, as  
13 defined in sections ~~84-201 and 84-202~~ 84-301.9, to the  
14 extent the appraised assessed value of the investment does  
15 not exceed ~~twenty percent (20%)~~ of the appraised assessed  
16 value of the building in which the investment is made."

17 Section 64. Section 84-7513, R.C.M. 1947, is amended  
18 to read as follows:

19 "84-7513. Valuation of commercial land. After  
20 classification as commercial, land, whether occupied or not,  
21 shall may not change in value for tax purposes unless it  
22 meets or is governed by the following provisions:

23 (1) Class A -- open undeveloped land. Open  
24 undeveloped land within the boundaries ~~set as of~~ designated  
25 commercial land which has value and is not designated for

1 usage as a parking area or park, and developed as such  
2 within ~~two--(2)~~ years from the effective date of this act;  
3 shall be subject to taxation in the following method (after  
4 the ~~two--(2)~~-year grace period):  
5 1st year taxation -- 1% over valuation existing at the  
6 beginning of the ~~said--two--(2)~~ years;  
7 2nd year taxation -- +2% over the previous year's valuation;  
8 3rd year taxation -- +10% over the previous year's valuation;  
9 3-5 years taxation -- +20% over the previous year's valuation;  
10 over ~~five--(5)~~ years -- +30% over the previous year's valuation.

11 (2) Class B -- existing improved land. All land in a  
12 commercial class shall remain in the same taxable base until  
13 expanded or remodeled. No expansion or remodeling shall may  
14 occur without approval of the governing body. Upon  
15 remodeling or improving, it shall receive a reduction in  
16 valuation in the amount of its valuation change which shall  
17 apply as a reduction in valuation of the property for a  
18 period of ~~five--(5)~~ years, commencing in the amount of the  
19 cost of remodeling or improving in the first year and  
20 reducing in an amount of ~~twenty-percent--(20%)~~ per year for  
21 each remaining year thereafter.

22 (3) Class C -- existing improved land. Existing  
23 structures and buildings shall be frozen in their existing  
24 tax ~~base~~ for a period of ~~ten--(10)~~ years, unless remodeled,  
25 where section 12(1)(a) shall apply. If not remodeled after

1 ten-~~(10)~~ years, the following shall apply:

2 Age of structure Tax increase according

3 in years to the years since remodeled last

	1-5 years	5-10 years	10-15 years	15 years	
					and over
4					
5					
6	10-12	1%	2%	4%	5%
7	12-15	2%	4%	6%	8%
8	15-20	4%	8%	12%	16%
9	21-25	10%	12%	16%	18%
10	26-30	15%	18%	20%	24%
11	31-40	25%	28%	30%	35%
12	40-50	40%	45%	50%	60%
13	50-Over	50%	60%	75%	100%

14 (4) Class D -- new improved land.

15 (a) The construction cost and land cost of any

16 commercial development within a classified commercial or

17 residential area shall ~~may~~ not be taxed for its construction

18 period.

19 (b) Following the nontaxable period the total cost of

20 land and improvements developed as new commercial property

21 shall be taxed as follows:

Commercial land location	Taxable schedule
22 (i) Land within and	Improvements shall be
23 extending nine-hundred	taxed in additional
24 (900) feet beyond that	increments as follows:

1 area designated by the ~~A-ten-percent-(10%)~~

2 governing authority as ~~increase in valuation assessed~~

3 the central business ~~value per year until a total~~

4 district of a community. ~~value for tax purposes~~

5 ~~is one-hundred-percent-(100%)~~

6 ~~of assessed value.~~

7 (ii) Land from that ~~Improvements shall be~~

8 designation under ~~taxed in additional~~

9 subsection (4) (b) (i) ~~increments as follows: A~~

10 to the corporate ~~thirty-three-and~~

11 boundary or city limits. ~~one-third-percent~~

12 ~~(33 1/3%) increase in~~

13 ~~valuation assessed value per year until~~

14 ~~a total value for tax~~

15 ~~purposes is one-hundred~~

16 ~~percent-(100%) of assessed value.~~

17 (iii) Land lying from ~~An increase in taxes~~

18 the corporate boundary to ~~over the normally~~

19 the four-and-one-half ~~assessed value of ten~~

20 ~~(4-1/2) 1/2-mile limit. ~~percent-(10%) per year~~~~

21 ~~for a period of ten (10) years~~

22 ~~unless given a waiver by~~

23 ~~the governing authority.~~

24 (iv) Land lying beyond ~~An increase in taxes~~

25 the four-and-one-half ~~over the normally~~

1 ~~{4-1/2}~~ 4 1/2-mil. limit. assessed value of  
 2 ~~twenty-five-percent-{25%}~~ twenty-five-percent-{25%}  
 3 per year for ~~fifteen-{15}~~ fifteen-{15}  
 4 years unless given a  
 5 waiver by the governing  
 6 authority."

7 Section 65. Section 89-3403, R.C.M. 1947, is amended  
 8 to read as follows:

9 "89-3403. Definitions. As used in this act, unless the  
 10 context clearly indicates otherwise:

11 (1) "~~District~~ district" means a conservancy district,  
 12 which is a public corporation and a political subdivision of  
 13 the state;i

14 (2) "~~Directors~~ directors" means the board of directors  
 15 of a conservancy district;i

16 (3) "~~Elector~~ elector" means a person qualified to vote  
 17 under ~~section 89-3425~~i

18 (4) "~~Court~~ court" means the district court of the  
 19 judicial district in which the largest portion of the  
 20 taxable valuation of real property of the proposed district  
 21 is located and within the county in which the largest  
 22 portion of the taxable valuation of real property of the  
 23 proposed district is located within the judicial district;i

24 (5) "~~Person~~ person" means a natural person; firm;  
 25 partnership; co-operative cooperative; association; public

1 or private corporation, including the state of Montana or  
 2 the United States; foundation; state agency or institution;  
 3 county; municipality; district or other political  
 4 subdivision of the state; federal agency or bureau; or any  
 5 other legal entity;i

6 (6) "~~Department~~ department" means the department of  
 7 natural resources and conservation provided for in Title  
 8 82A, chapter 15;i

9 (7) "~~Board~~ board of supervisors" means the board of  
 10 supervisors of the soil and water conservation district in  
 11 which the largest portion of the taxable valuation of real  
 12 property of the proposed district is located;i

13 (8) "~~Works~~ works" means all property, rights,  
 14 easements, franchises, and other facilities including, but  
 15 not limited to, land, reservoirs, dams, canals, dikes,  
 16 ditches, pumping units, mains, pipelines, waterworks  
 17 systems, recreational facilities, facilities for fish and  
 18 wildlife, and facilities to control and correct pollution;i

19 (9) "~~Cost~~ cost of works" means the cost of  
 20 construction, acquisition, improvement, extension, and  
 21 development of works, including financing charges, interest,  
 22 and professional services;i

23 (10) "~~Applicants~~ applicants" means any person residing  
 24 within the boundaries of the proposed district making a  
 25 request for a study of the feasibility of forming a

1 conservancy district;

2 (11) "Notice notice" means publication at least once  
3 each week for ~~three--(3)~~ consecutive weeks in a newspaper  
4 published in each county, or, if no newspaper is published  
5 in a county, a newspaper of general circulation in the  
6 county, or counties, in which a district is or will be  
7 located. The last published notice shall appear not less  
8 than ~~five--(5)~~ days prior to any hearing or election held  
9 under this act;

10 (12) "Owners owners" are the person or persons who  
11 appear as owners of record of the legal title to real  
12 property according to the county records whether such title  
13 is held beneficially or in a fiduciary capacity, except that  
14 a person holding a title for purposes of security is not an  
15 owner nor shall may he affect the previous title for  
16 purposes of this act;

17 (13) "~~taxable~~ taxable valuation" shall ~~--mean~~ is the  
18 ~~valuation--determined-according-to-section-84-302, R.C.M. 1947,~~  
19 value as defined in 84-401 and does not mean assessed  
20 valuation."

21 Section 66. Repealer. Sections 69-3923, 84-301,  
22 84-302, 84-304, 84-305, 84-307, and 84-308, R.C.M. 1947, are  
23 repealed.

24 Section 67. Effective date. This act is effective July  
25 1, 1979.

-End\_-

## FISCAL NOTE

Form BD-15

in compliance with a written request received January 5, 19 77, there is hereby submitted a Fiscal Note for House Bill 45 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

This bill provides that taxable value will be set as a percentage of market value, percentages for various types of property, and amends certain sections of the Montana Code in accordance with this method of calculating taxable value.

## ASSUMPTIONS

The effective date for the proposed law is July 1, 1979. Thus it can have no effect during the next biennium and only a minimal effect in FY 80. (Because of changes in values of property assessed between July 1, 1979 and January 1, 1980.)

## EFFECT ON STATE REVENUE

Under the assumption that by January 1, 1980 non-agricultural real property will have an assessed value of 12% of its market value and that it will constitute about 30% of the tax base of the state, the provision in the bill which drops its assessed value to 10% of market value could reduce the state's tax base by 5%. (Since setting taxable value at 10% of market value produces only 5/6 as much value as does setting taxable value at 12% of market value.)

In addition, livestock would be taxed at 5% of its market value which is somewhat lower than is presently the case. The market value of livestock obviously varies widely. Currently, livestock makes up about 5% of the state's tax base, but could make up between 4% and 6% of the 1980 tax base depending on 1979 market values. Assuming that livestock would be taxed at about 12% of market value under current law it would follow that the state could lose between 2% and 3% of its tax base.

Finally, motor vehicles would be taxed at 13% of market value which is slightly lower than current practice. This, coupled with other changes, could account for up to a 2% decrease in tax base.

Thus, it appears that the changes envisioned by the proposed legislation could decrease the state's tax base by 7% to 10% in fiscal 1981. (Assessment done on January 1, 1980.)

## EFFECT ON LOCAL REVENUE

If the proposed bill were enacted, no effect would be felt during the next three fiscal years (1978, 1979, 1980). However, in setting levies for FY 81, based on assessments made January 1, 1980, local officials would be faced with significant decreases in tax base. Even after discounting inflationary growth and new property added, local tax bases could fall by as much as 10% to 15% depending on how heavily dependent on non-agricultural real property they are.

## TECHNICAL NOTE

Line 24, page 4: The word "improvement" is misspelled.

The amendments of Section 64 insert the word "assessed" before "value" in lines 2, 6 & 13 pg. 104. From section 84-7504(13) it is at least arguable that the concept of value addressed in section 84-7513 is "taxable value". Thus the amendments of Section 64 may be changing the intent of Title 84 chapter 75.

## CONCLUSION

The proposed legislation will have no impact on state revenues during the 1978-79 biennium. However, it will have significant effect during the latter half of the 1980-81 biennium.

PREPARED BY: Department of Revenue

*Richard L. Deary for*  
BUDGET DIRECTOR  
Office of Budget and Program Planning  
Date: 1-11-78

STATE OF MONTANA

REQUEST NO. 7-77 Amended

FISCAL NOTE

Form BD-15

In compliance with a written request received January 17, 19 77, there is hereby submitted a Fiscal Note for House Bill 45 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.

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In addition, livestock would be taxed at 10% of its market value which is somewhat lower than is presently the case. The market value of livestock obviously varies widely. Currently, livestock makes up about 5% of the state's tax base, but could make up between 1% and 6% of the 1980 tax base depending on 1979 market values. Assuming that livestock would be taxed at about 12% of market value under current law it would follow that the state could lose between 0.6% and 1% of its tax base.

Finally, motor vehicles would be taxed at 13% of market value which is slightly lower than current practice. This, coupled with other changes, could account for up to a 2% decrease in tax base.

Thus, it appears that the changes envisioned by the proposed legislation could decrease the state's tax base by 5% to 8% in fiscal 1981. (Assessment done on January 1, 1980.)

(CONTINUED ON PAGE 2)

*Richard L. Drury for*  
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-19-77



## FISCAL NOTE

Form BD-15

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Page 2

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PREPARED BY DEPARTMENT OF REVENUE

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: \_\_\_\_\_