

1 HB BILL NO. 70  
 2 INTRODUCED BY James Thomas O'Keefe  
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4 A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE PROPERTY  
 5 TAX SYSTEM BY GENERALLY REVISING AND RECODIFYING SECTIONS  
 6 RELATING TO PROPERTY CLASSIFICATION AND TAXATION AND BY  
 7 ESTABLISHING MARKET VALUE AS THE BASIS OF TAXATION, EXCEPT  
 8 FOR CERTAIN CASES, AND ADJUSTING THE TAXABLE PERCENTAGE  
 9 ACCORDINGLY; AMENDING SECTIONS 11-988, 11-1011, 11-1019,  
 10 11-1301, 11-1909, 11-1919, 11-2201, 11-2205, 11-2303,  
 11 11-3921, 11-4111, 14-307, 16-502, 16-807, 16-808, 16-1152,  
 12 16-1412, 16-2010.1, 16-4020, 32-3107, 46-1914, 53-114,  
 13 53-1025, 69-3504, 69-3923, 75-7104, 75-8104, 84-101, 84-401,  
 14 84-402, 84-404, 84-406, 84-602, 84-708.1, 84-728, 84-4605,  
 15 84-4701, 84-4701.2, 84-4713, 84-5103, 84-5211, 84-5214,  
 16 84-5216, 84-5406, 84-6008, 84-6102, 84-6103, 84-6205,  
 17 84-6407, 84-7403, 84-7513, AND 89-3403, R.C.M. 1947; AND  
 18 REPEALING SECTIONS 69-3923, 84-301, 84-302, 84-304, 84-305,  
 19 84-307, AND 84-308, R.C.M. 1947."

20  
 21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
 22 Section 1. There is a new R.C.M. section numbered  
 23 84-301.1 that reads as follows:  
 24 84-301.1. Classification of taxable property. For the  
 25 purpose of taxation, the taxable property in the state shall

1 be classified in accordance with 84-301.2 through 84-301.15.

2 Section 2. There is a new R.C.M. section numbered  
 3 84-301.2 that reads as follows:

4 84-301.2. Class one property -- description -- taxable  
 5 percentage. (1) Class one property includes the right of  
 6 entry which is a property right reserved in land or received  
 7 by mesne conveyance (exclusive of leasehold interests),  
 8 devise, or succession to enter land whose surface title is  
 9 held by another to explore, prospect, or dig for oil, gas,  
 10 coal, or minerals. The market value of the right of entry  
 11 is determined by the department of revenue.

12 (2) Class one property is taxed at 100% of its market  
 13 value.

14 Section 3. There is a new R.C.M. section numbered  
 15 84-301.3 that reads as follows:

16 84-301.3. Class two property -- description -- taxable  
 17 percentage. (1) Class two property includes:

- 18 (a) all agricultural and other tools, implements, and
- 19 machinery;
- 20 (b) gas and other engines and boilers and threshing
- 21 machines and outfits used therewith;
- 22 (c) automobiles, motor trucks, and other power-driven
- 23 cars and vehicles of all kinds except mobile homes;
- 24 (d) boats and all watercraft;
- 25 (e) harness, saddlery, and robes;

1 (f) all property, except that included in class five,  
 2 84-301.6, used and owned by persons, firms, corporations, or  
 3 other organizations that are engaged in the business of  
 4 furnishing telephone communications exclusively to rural  
 5 areas or to rural areas and cities and towns of 800 persons  
 6 or less. The average circuit miles for each station on the  
 7 telephone communications system must be more than  $1\frac{1}{4}$   
 8 miles to qualify for this classification.

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

11 Section 4. There is a new R.C.M. section numbered  
 12 84-301.4 that reads as follows:

13 84-301.4. Class three property — description —  
 14 percentage. (1) Class three property includes:

15 (a) livestock, poultry, and unprocessed products of  
 16 both;

17 (b) furniture and fixtures used in commercial, office,  
 18 and hotel activities, except improvements included in class  
 19 nine.

20 (2) Class three property is taxed at 13% 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, eight, or nine;

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) manufacturing and mining machinery, fixtures, and  
 12 supplies, except those included in class five, seven, or  
 13 eight.

14 (2) Class four property is taxed at 12% of its market  
 15 value.

16 Section 6. There is a new R.C.M. section numbered  
 17 84-301.6 that reads as follows:

18 84-301.6. Class five property — description —  
 19 taxable percentage. (1) Class five property includes:

20 (a) all property used and owned by cooperative rural  
 21 electrical and cooperative rural telephone associations as  
 22 provided in (2) (a) of this section;

23 (b) all unprocessed agricultural products on the farm  
 24 or in storage, except:

25 (i) all perishable fruits and vegetables in farm

1 storage and owned by the producer; and  
 2 (ii) livestock and poultry and the unprocessed products  
 3 of both;  
 4 (c) a dwelling house and the lot on which it is  
 5 erected, owned and occupied by a disabled veteran under the  
 6 condition specified in (2)(b) of this section.  
 7 (2) (a) The property of all cooperative rural  
 8 electrical and cooperative rural telephone associations  
 9 organized under the laws of Montana is included in this  
 10 class; except that when less than 95% of the electricity  
 11 consumers or telephone users within the incorporated limits  
 12 of a city or town are served by the cooperative  
 13 organization, the property is included in class two.  
 14 (b) To be included in this class, a dwelling house and  
 15 lot on which it is erected must be owned and occupied by a  
 16 resident of the state:  
 17 (i) who has been honorably discharged from active  
 18 service in any branch of the armed services; and  
 19 (ii) who is rated 100% disabled due to a  
 20 service-connected disability by the United States veterans  
 21 administration or its successor. In the event of the  
 22 veteran's death, the dwelling house and the lot on which it  
 23 is erected shall remain in this class as long as the  
 24 surviving spouse remains unmarried and the owner and  
 25 occupant of the property.

1 (3) Class five property is taxed at 4.2% of its market  
 2 value.  
 3 Section 7. There is a new R.C.M. section numbered  
 4 84-301.7 that reads as follows:  
 5 84-301.7. Class six property — description — taxable  
 6 percentage. (1) Class six property includes moneyed capital  
 7 and shares of banks.  
 8 (2) Moneyed capital is defined as moneys, bonds,  
 9 notes, and other evidence of indebtedness, including  
 10 evidence of indebtedness secured by mortgage on real or  
 11 personal property, in the hands of individual citizens and  
 12 corporations in competition with the business of national  
 13 banks or employed in conducting a banking or investment  
 14 business.  
 15 (3) In ascertaining the value of moneyed capital for  
 16 taxation, any deposits and any indebtedness borrowed for use  
 17 as moneyed capital are deducted from the amount of bonds,  
 18 notes, and other evidence of indebtedness.  
 19 (4) In ascertaining the value of the shares of a  
 20 national bank for taxation, the book value of all real  
 21 estate owned by a bank is deducted from the value of the  
 22 shares and assessed to the bank separately. The shares of  
 23 banking corporations engaged in the banking business in  
 24 Montana are assessed at 100% of book value, less the book  
 25 value of the real estate, moneyed capital, and other

1 property of the bank that is assessed and taxed as the  
2 property of the bank.

3 (5) Class six property is taxed at 30% of its book  
4 value, with the exception of the surplus shown on the bank's  
5 books. The surplus, to the amount of the stated capital of  
6 the bank, is taxed at 7% of its book value. The amount of  
7 surplus in excess of the stated capital is taxed at 30%.

8 Section 8. There is a new R.C.M. section numbered  
9 84-301.8 that reads as follows:

10 84-301.8. Class seven property -- description --  
11 taxable percentage. (1) Class seven property includes:

- 12 (a) business inventories as defined in this section;
- 13 (b) air pollution control equipment as defined in this  
14 section;
- 15 (c) all new industrial property as defined in this  
16 section;
- 17 (d) a capital investment in a recognized nonfossil  
18 form of energy generation, to the extent provided under  
19 84-7403.

20 (2) "Business inventories" includes goods intended for  
21 sale or lease in the ordinary course of business and raw  
22 materials and work in progress with respect to such goods.  
23 Business inventories shall not include goods leased or  
24 rented or mobile homes held by a dealer or distributor as  
25 part of his stock in trade.

1 (3) "Air pollution control equipment" means  
2 facilities, machinery, or equipment, attached or unattached  
3 to real property, utilized to reduce, eliminate, control, or  
4 prevent air pollution. The department of health and  
5 environmental sciences shall determine if such utilization  
6 is being made.

7 (4) (a) "New industrial property" means any new  
8 industrial plant, including land, buildings, machinery, and  
9 fixtures, which is used by a new industry during the first 3  
10 years of its operation. The property must not have been  
11 assessed prior to July 1, 1961, within the state of Montana.

12 (b) New industrial property is limited to industries  
13 that:

- 14 (i) manufacture, mill, mine, produce, process, or  
15 fabricate materials;
- 16 (ii) do similar work, employing capital and labor, in  
17 which materials unserviceable in their natural state are  
18 extracted, processed, or made fit for use or are  
19 substantially altered or treated so as to create commercial  
20 products or materials; or

21 (iii) engage in the mechanical or chemical  
22 transformation of materials or substances into new products  
23 in the manner defined as manufacturing in the 1972 Standard  
24 Industrial Classification Manual prepared by the United  
25 States office of management and budget.

1 (c) New industrial property shall in no event include:

2 (i) property used by retail or wholesale merchants,  
3 commercial services of any type, agriculture, trades, or  
4 professions;

5 (ii) a plant that will create adverse impact on  
6 existing state, county, or municipal services;

7 (iii) property used or employed in any industrial plant  
8 that has been in operation in this state for 3 years or  
9 longer.

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

16 (6) The department of revenue shall promulgate rules  
17 for the determination of what constitutes an adverse impact,  
18 taking into consideration the number of people to be  
19 employed and the size of the community in which the location  
20 is contemplated. Any person, corporation, firm, partnership,  
21 association, or other group seeking to qualify its property  
22 for inclusion in this class shall make application to the  
23 department of revenue in such a manner and form as the  
24 department requires. Once the department has made an initial  
25 determination that the industrial facility qualifies as new

1 industrial property, the department shall then, upon proper  
2 notice, hold a hearing to determine if the new industrial  
3 classification should be retained by the property. The local  
4 taxing authority may appear at the hearing and may waive its  
5 objection to retention of this classification if the  
6 industry agrees to the prepayment of taxes sufficient to  
7 satisfy tax requirements created by the location and  
8 construction of the facility during the construction period.  
9 When a prepayment of taxes is required, the maximum amount  
10 of prepayment shall be the amount of tax the industry would  
11 have paid without the application of the class seven  
12 percentage to such property.

13 (7) If a major new industrial facility qualifies under  
14 class seven, the reduction of its yearly payment of property  
15 taxes for reimbursement of its prepaid taxes as provided for  
16 in 84-41-105 does not begin until the class seven  
17 qualification expires.

18 (8) Class seven property shall be taxed at 4.2% of its  
19 market value.

20 Section 9. There is a new R.C.M. section numbered  
21 84-301.9 that reads as follows:

22 84-301.9. Class eight property — description —  
23 taxable percentage. (1) Class eight property includes:

24 (a) a capital investment in a building for an energy  
25 conservation purpose, to the extent provided under 84-7403;

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

5 (i) have a market value of not more than \$27,500;  
6 (ii) are owned or under contract for deed and are  
7 actually occupied for at least 10 months per year as the  
8 primary residential dwelling of:

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

12 (B) a widow or widower of any age with dependent  
13 children who qualifies under the income limitations of (C)  
14 of this section; or

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

19 (2) (a) A person applying for classification of  
20 property under this class must make an affidavit to the  
21 department of revenue on a form provided by the department  
22 without cost as to:

23 (i) his income, if applicable;  
24 (ii) his retirement benefits, if applicable;  
25 (iii) his marital status, if applicable; and

1 (iv) the fact that he maintains the land and  
2 improvements as his primary residential dwelling.

3 (b) The county welfare board may investigate the  
4 applicant as to the answers given on the form. For the  
5 purpose of the affidavit required for classification of  
6 property under this class, it shall be sufficient if the  
7 applicant signs a statement swearing to or affirming the  
8 correctness of the information supplied, whether or not the  
9 statement is signed before a person authorized to administer  
10 oaths, and mails the application and statement to the  
11 department of revenue. This signed statement shall be  
12 treated as a statement under oath or equivalent affirmation  
13 for the purposes of 94-7-203, relating to the criminal  
14 offense of false swearing.

15 (c) The assessed value of the property may not be  
16 increased during the life of the recipient of retirement  
17 benefits or widow or widower covered under this class,  
18 unless the owner-resident makes a substantial improvement in  
19 the dwelling.

20 (3) Class eight property is taxed at 6% of its market  
21 value.

22 Section 10. There is a new R.C.M. section numbered  
23 84-301.10 that reads as follows:

24 84-301.10. Class nine property — description —  
25 taxable percentage. (1) Class nine property includes the

1 incremental increase in the value of real estate produced by  
2 repairing, maintaining, or improving existing improvements.

3 (2) Class nine property is taxed at:

4 (a) 2.4% of the market value for the first full year  
5 following completion of the repair, maintenance, or  
6 improving of existing improvements;

7 (b) 4.8% of the market value for the second full year  
8 following completion of the repair, maintenance, or  
9 improving of existing improvements;

10 (c) 7.2% of the market value for the third full year  
11 following completion of the repair, maintenance, or  
12 improving of existing improvements;

13 (d) 9.6% of the market value for the fourth full year  
14 following completion of the repair, maintenance, or  
15 improving of existing improvements; and

16 (e) 12% of the market value for the fifth full year  
17 and every year thereafter following completion of the  
18 repair, maintenance, or improving of existing improvements.

19 Section 11. There is a new R.C.M. section numbered  
20 84-301.11 that reads as follows:

21 84-301.11. Class ten property -- description --  
22 taxable percentage. (1) Class ten property includes:

23 (a) centrally assessed utility allocations after  
24 deductions of locally assessed properties, except as  
25 provided in:

1 (i) class two for rural telephones; and

2 (ii) class five for cooperatives;

3 (b) all other property not included in the nine  
4 preceding classes.

5 (2) Class ten property is taxed at 16% of its market  
6 value.

7 Section 12. There is a new R.C.M. section numbered  
8 84-301.12 that reads as follows:

9 84-301.12. Class eleven property -- description --  
10 taxable percentage. (1) Class eleven property includes the  
11 annual net proceeds of all mines and mining claims, except  
12 coal mines.

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

16 Section 13. There is a new R.C.M. section numbered  
17 84-301.13 that reads as follows:

18 84-301.13. Class twelve property -- description --  
19 taxable percentage. (1) Class twelve property includes the  
20 annual gross proceeds of underground coal mines.

21 (2) Class twelve property is taxed at 33 1/3% of the  
22 annual gross proceeds.

23 Section 14. There is a new R.C.M. section numbered  
24 84-301.14 that reads as follows:

25 84-301.14. Class thirteen property -- description --

1 taxable percentage. (1) Class thirteen property includes the  
2 annual gross proceeds of coal mines using the strip-mining  
3 method.

4 (2) Class thirteen property is taxed at 45% of the  
5 annual gross proceeds.

6 Section 15. There is a new R.C.M. section numbered  
7 84-301.15 that reads as follows:

8 84-301.15. Class fourteen property — description —  
9 taxable percentage. (1) Class fourteen property includes  
10 agricultural land, as defined in 84-437.2.

11 (2) Class fourteen property is taxed at 12% of its  
12 assessed value.

13 Section 16. Section 84-401, R.C.M. 1947, is amended to  
14 read as follows:

15 "~~84-401. Property assessed at forty percent (40%) of~~  
16 ~~its full cash value — exceptions Assessments, definitions,~~  
17 ~~and exceptions. (1) All taxable real property and~~  
18 ~~improvements must be assessed at forty percent (40%) 100% of~~  
19 ~~its full-cash market value except+ as provided in subsection~~  
20 ~~(5) of this section.~~

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

25 (3) The department of revenue or its agents may not

1 adopt a lower or different standard of value from market  
2 value in making the official assessment and appraisal of the  
3 value of property in classes one through ten, with the  
4 exception of class six. For purposes of taxation, assessed  
5 value is the same as appraised value.

6 (4) The taxable value for all property in classes one  
7 through ten, with the exception of class six, is the  
8 percentage of market value established for each class of  
9 property in 84-301.2 through 84-301.11, excluding 84-301.7.

10 (5) The assessed value of properties in 84-301.7 and  
11 84-301.12 through 84-301.15 is as follows:

12 (a) Property in 84-301.7, under class six, is assessed  
13 at 100% of book value, by the method established in  
14 84-301.7, 84-4604, and 84-4605.

15 ~~(b)~~ (b) Properties in section 84-301 84-301.12, under  
16 Class One class eleven, shall be are assessed at one hundred  
17 percent (100%) of full-cash value of the annual net proceeds  
18 after deducting the expenses specified and allowed by  
19 84-5403.

20 (c) Properties in 84-301.13 and 84-301.14, under  
21 classes twelve and thirteen, are assessed at 100% of the  
22 annual gross proceeds.

23 ~~(d)~~ (d) The assessment of agricultural lands shall be  
24 based upon Properties in 84-301.15, under class fourteen,  
25 are assessed at 100% of the productive capacity of the lands



1 when valued for agricultural purposes. All lands that meet  
 2 the qualifications of 84-437.2 shall be are valued as  
 3 agricultural lands for tax purposes ~~that meet the~~  
 4 ~~qualifications of section 84-437.2, R.C.M. 1947.~~

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

8 (a) ~~when~~ ownership of the improvements is different  
 9 from ownership of the land;

10 (b) ~~when requested in writing by the taxpayer, the~~  
 11 taxpayer makes a written request; or

12 (c) ~~when~~ the land is outside an incorporated city or  
 13 town.

14 (7) The taxable value of all property ~~shall be~~  
 15 ~~determined by sections 84-301 and 84-308 in classes eleven~~  
 16 through fourteen is the percentage of assessed value  
 17 established in 84-301.12 through 84-301.15 for each class of  
 18 property."

19 Section 17. Section 11-988, R.C.M. 1947, is amended to  
 20 read as follows:

21 "11-988. Power of cities and towns to acquire natural  
 22 gas and distributing system ~~therefor~~. The city or town  
 23 council has power to contract an indebtedness of a city or  
 24 town upon the credit thereof by borrowing money or issuing  
 25 bonds for the construction, purchase, or development of an

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

16 Section 18. Section 11-1011, R.C.M. 1947, is amended  
 17 to read as follows:

18 "11-1011. Tax levy for band concerts. For the purpose  
 19 of providing band concerts ~~as in this act provided~~, the  
 20 council or other governing body in any town or city of the  
 21 first, second, or third class, or of any incorporated town,  
 22 may assess and levy, in addition to the levy for general  
 23 municipal or administrative purposes, an amount not  
 24 ~~exceeding to exceed one~~ 1 mill on the dollar on the assessed  
 25 taxable value of the ~~taxable~~ property of the ~~said~~ city or

1 town subject to taxation."

2 Section 19. Section 11-1019, R.C.M. 1947, is amended  
3 to read as follows:

4 "11-1019. Operation of bus lines — contracting  
5 indebtedness. Whenever a city or town is not being served by  
6 a bus company or operator, operating on a regular schedule,  
7 and under the jurisdiction of the public service commission  
8 or if such service ~~is to be or~~ is likely to be discontinued  
9 in the immediate future, the city or town council of any  
10 incorporated city or town ~~shall have the power to~~ may  
11 contract an indebtedness of any such city or town upon the  
12 credit thereof by borrowing money or issuing bonds for the  
13 purchase, development, operation, or leasing of motor buses  
14 and bus lines for the transportation of passengers within  
15 the corporate limits of such cities and towns, and to  
16 operate the same to any point or points beyond ~~said these~~  
17 limits not to exceed ~~eight (8)~~ miles, measured along the  
18 route of ~~said the~~ bus line, ~~provided that the~~ The total  
19 amount of indebtedness authorized to be contracted in any  
20 form, including the then-existing indebtedness, ~~must~~ may not  
21 at any time exceed ~~five per centum (5%)~~ 10% of the total  
22 ~~assessed valuation~~ taxable value of the taxable property of  
23 the city or town subject to taxation as ascertained by the  
24 last assessment for state and county taxes, ~~and provided~~  
25 ~~further, that no~~ no money ~~must~~ may be borrowed or bonds

1 issued for the purposes ~~herein~~ specified in this section  
2 until the proposition has been submitted to the vote of the  
3 taxpayers ~~affected thereby~~ of the city or town, and the  
4 majority vote cast in its favor ~~thereof.~~"

5 Section 20. Section 11-1301, R.C.M. 1947, is amended  
6 to read as follows:

7 "11-1301. Presentation of claims — limitation of  
8 actions. All accounts and demands against a city or town  
9 must be presented to the council duly itemized. All claims  
10 against a city or town shall contain the following  
11 statement: "I certify that this claim is correct and just in  
12 all respects, and that payment or credit has not been  
13 received." Claims need not be accompanied by affidavit by  
14 the party or his agent. These claims must be presented with  
15 all necessary and proper vouchers, within ~~one (1)~~ year from  
16 the date the same accrued, ~~and any~~ any claim or demand not  
17 so presented within ~~the~~ this time ~~aforsaid~~ is forever  
18 barred, and the council has no authority to allow any  
19 account or demand not so presented, ~~nor must any~~ no action  
20 may be maintained against the city or town for or on account  
21 of any demand or claim against the ~~same,~~ city or town until  
22 such demand or claim has first been presented to the  
23 council, ~~for action thereon, provided, however, that in~~ In  
24 case the total indebtedness of a city or town has reached  
25 ~~three per centum (3%)~~ 11% of the total ~~assessed valuation~~

1 ~~taxable value~~ of the ~~taxable~~ property of ~~each~~ the city or  
 2 town, subject to taxation as ascertained by the last  
 3 assessment for state and county taxes, ~~it shall be lawful~~  
 4 ~~for, and such~~ the city or town ~~is hereby authorized and~~  
 5 ~~empowered, to~~ may conduct its affairs and business on a cash  
 6 basis as provided ~~and contemplated by the next section of~~  
 7 ~~this code 11-1302."~~

8 Section 21. Section 11-1909, R.C.M. 1947, is amended  
 9 to read as follows:

10 "11-1909. Levy of tax for volunteer fire departments.  
 11 For the purpose of supporting volunteer fire departments in  
 12 any city or town which does not have a paid fire department,  
 13 and for the purpose of purchasing the necessary equipment  
 14 ~~therefor~~ for them, the council in any city or town, may  
 15 ~~assess and levy~~, in addition to other levies permitted by  
 16 law, a special tax not exceeding ~~two~~ (2) mills on each  
 17 dollar of the ~~assessed valuation~~ taxable value of the  
 18 ~~taxable~~ property of the city or town ~~and, provided, further,~~  
 19 ~~that the words "assessed valuation" as used in this section~~  
 20 ~~shall be the percentage of the true and full valuation of~~  
 21 ~~the taxable property provided in section 84-302 and shall~~  
 22 ~~not be deemed to be the true and full valuation of such~~  
 23 ~~property~~ subject to taxation."

24 Section 22. Section 11-1919, R.C.M. 1947, is amended  
 25 to read as follows:

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

20 (2) ~~In the event of a disaster resulting in the death~~  
 21 ~~or injury sufficient to draw pension of ten percent (10%) of~~  
 22 ~~the active force~~ When 10% of the active force, due to a  
 23 disaster, suffers injury or death sufficient to draw pension  
 24 and when the fund of ~~such~~ the fire department relief  
 25 association after receiving all moneys as designated in

1 ~~section~~ 11-1911 and ~~section~~ 11-1912 and the ~~ten-percent~~  
 2 ~~{10%}~~ of annual compensation as designated in this chapter  
 3 does not show at least the ~~one-{1}-mill~~ growth as referred  
 4 to in ~~section~~ 11-1912, then the treasurer of such relief  
 5 association shall request and the state auditor shall issue  
 6 and deliver to the treasurer of every city or town of the  
 7 first and second class, for the use and benefit of the fire  
 8 department relief association legally existing in ~~every the~~  
 9 city or town entitled to receive the same, ~~out-of-the~~  
 10 ~~premium tax collected by him,~~ an additional amount to show  
 11 at least the ~~one-{1}-mill~~ growth referred to in ~~section~~  
 12 11-1912. This amount is paid out of the premium tax  
 13 collected by the state auditor.

14 (3) In the event a city of the first or second class  
 15 is not entitled to receive a sum equal to ~~forty-five-one~~  
 16 ~~hundredths {45/100}~~ 1 1/2 mills of its total ~~assessed~~  
 17 ~~valuation taxable value~~ under the foregoing method of  
 18 computation, then, ~~in that event,~~ the fire department relief  
 19 association of that city shall receive its money in the same  
 20 manner as provided below for cities of the third class.

21 (4) At the end of the fiscal year, the state auditor  
 22 shall issue and deliver to the treasurer of every city or  
 23 town, except cities or towns of the first or second class,  
 24 for the use and benefit of the fire department relief  
 25 association legally existing in every such city or town

1 entitled by law to receive the same, his warrant for an  
 2 amount equal to ~~forty-five-one-hundredths {45/100}~~ 1 1/2  
 3 mills of the total ~~assessed valuation taxable value~~ of the  
 4 city or town. This amount is to be paid from premium taxes,  
 5 after deducting cancellations and return premiums, collected  
 6 by the state auditor, ~~ex-officio insurance commissioner,~~  
 7 from insurers authorized to effect insurance on risks  
 8 enumerated in subsection (6) of this section, ~~as said to~~  
 9 which the cities or towns are each severally entitled to.

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

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

24 (a) Insurance insurance of houses, buildings, and all  
 25 ~~other kinds of property and goods~~ against loss or damage by

1 fire or other casualty; ~~and all kinds of insurance on~~  
2 ~~goods, merchandise, or other property in the course of~~  
3 ~~transportation, whether on land or water or air;~~

4 (b) insurance against loss or damage to motor vehicles  
5 resulting from accident, collision, or marine and inland  
6 navigation and transportation perils;

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

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

12 (e) ~~and insurance against loss or legal liability for~~  
13 ~~loss because of damage to property caused by the use of~~  
14 ~~teams or vehicles; and whether by accident or collision or~~  
15 ~~by explosion of any engine or tank or boiler or pipe or tire~~  
16 ~~of any vehicle, and also including~~

17 (f) insurance against theft of the whole or any part  
18 of any vehicle."

19 Section 23. Section 11-2201, R.C.S. 1947, is amended  
20 to read as follows:

21 "11-2201. Special improvements — powers of city  
22 council. (1) All streets, alleys, places, or courts in the  
23 municipalities of this state, now open or dedicated, or  
24 which may hereafter be opened or dedicated to public use,  
25 ~~shall be deemed and held to be~~ are open public streets,

1 alleys, places, or courts, for the purposes of this chapter,  
2 and the city council of each municipality ~~is hereby~~  
3 ~~empowered to~~ may establish and change the grades of ~~said the~~  
4 streets, alleys, places, or courts, and fix the width  
5 thereof, and ~~is hereby invested with jurisdiction to~~ may  
6 acquire private property for ~~right-of-way, right-of-way~~ and  
7 ~~to order to be done any of the work mentioned in this~~  
8 chapter under the proceedings hereinafter described.

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

12 (1) (a) ~~Establish~~ establish pedestrian malls;  
13 (2) (b) ~~Prohibit~~ prohibit, in whole or in part,  
14 vehicular traffic on a pedestrian mall;

15 (3) (c) ~~Pay~~ pay, from general funds of the municipality  
16 or other available moneys or from the proceeds of  
17 assessments levied on lands benefited by the establishment  
18 of a pedestrian mall, the damages, if any, allowed or  
19 awarded to any property owner by reason of the establishment  
20 of a pedestrian mall, ~~provided that the~~ The resolution of  
21 intention ~~contains~~ must contain a statement that an  
22 assessment will be levied to pay the whole or a stated  
23 portion of such damages, if any, allowed or awarded to any  
24 property owner by reason of the establishment of such  
25 pedestrian mall;

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

22       ~~(4)(3) It is further provided that in addition to the~~  
 23 ~~purposes for which an improvement district may be formed, as~~  
 24 ~~heretofore set forth, an~~ An improvement district may also be  
 25 formed for the sole purpose of ~~the operation, maintenance,~~

1 ~~repair and improvements of~~ operating, maintaining,  
 2 repairing, and improving pedestrian walks, off-street  
 3 parking facilities, and parkings and parkways.

4       ~~(4)(3)~~ Subject to the powers granted and the  
 5 limitations contained in this section, the powers and duties  
 6 of the municipality and the procedure to be followed ~~shall~~  
 7 be are as provided in this ~~article~~ chapter for other types  
 8 of special improvement districts.

9       ~~(4)(5)~~ If a petition for the formation of an  
 10 improvement district under the provisions of this section is  
 11 presented to the governing body purporting to be signed by  
 12 all of the real property owners in the proposed district,  
 13 exclusive of mortgagees and other lien holders, the  
 14 governing body, after verifying such ownership and making a  
 15 finding of ~~such the~~ the fact, shall adopt a resolution of  
 16 intention to order the improvement ~~pursuant to the~~  
 17 ~~provisions of section as provided in 11-2204,~~ and shall have  
 18 immediate jurisdiction to adopt the resolution ordering the  
 19 improvement pursuant to the following provisions, without  
 20 the necessity of the publication and posting of the  
 21 resolution of intention provided for in ~~section~~ 11-2204.

22       ~~(4)(5)~~ The governing body shall make annual statements  
 23 and estimates of the expenses of the district, which shall  
 24 be provided for by the levy and collection of ad valorem  
 25 taxes upon the ~~assessed~~ taxable value of all the real and

1 personal property in the district, shall publish notice  
 2 thereof, and shall have hearings thereon on the statements  
 3 and estimates and adopt them ~~at the times and in the manners~~  
 4 as provided for incorporated cities and towns by ~~the~~  
 5 ~~applicable portions of sections~~ 11-2204 and 11-2206. The  
 6 governing body, on or before the second Monday in August of  
 7 each year, shall fix, levy, and assess the amount to be  
 8 raised by ad valorem taxes upon all of the property of the  
 9 district. All statutes providing for the levy and collection  
 10 of state and county taxes, including the collection of  
 11 delinquent taxes and sale of property for nonpayment of  
 12 taxes, shall be applicable to the district taxes provided  
 13 for under this section.

14 ~~(e)~~ (7) An improvement district formed for the purposes  
 15 of establishing a pedestrian mall or off-street parking may  
 16 be financed in accordance with the provisions of ~~section~~  
 17 ~~11-2214, R. C. M. 1947,~~ and/or in accordance with the  
 18 methods of financing set forth for the construction of water  
 19 or sewer systems as set forth in ~~section 11-2218, R. C. M.~~  
 20 ~~1947.~~

21 ~~(5)~~ (8) Create The governing body may create special  
 22 lighting districts on any street or streets or public  
 23 highway ~~therein or portions thereof~~ for the purposes of  
 24 lighting ~~such street or streets or public highway and is~~  
 25 ~~hereby empowered to them and~~ assess such the costs for

1 installation and maintenance to property abutting thereto  
 2 and ~~to collect such the~~ costs by special assessment against  
 3 said the property.

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

14 Section 24. Section 11-2205, R.C.M. 1947, is amended  
 15 to read as follows:

16 "11-2205. Assessment of extended district including  
 17 lots not fronting on improvement. Whenever the contemplated  
 18 work of improvement, in the opinion of the city council, is  
 19 of more than local or ordinary public benefit, or whenever,  
 20 according to estimates furnished by the city engineer, the  
 21 total estimated costs and expenses thereof would exceed  
 22 ~~one-half~~ 1/5 of the total ~~assessed taxable~~ value of the lots  
 23 and lands ~~assessed, if assessed upon the lots or lands~~  
 24 fronting upon said proposed work or improvement, according  
 25 to the valuation fixed by the last assessment roll, ~~whereon~~

1 ~~it was assessed for taxes for municipal purposes,~~ the city  
 2 council may make charge the expenses of ~~such the~~ work or  
 3 improvement ~~chargeable upon~~ to an extended district ~~and~~  
 4 ~~which that~~ may include other lots not fronting on the  
 5 improvement, and which the ~~said~~ city council ~~shall,~~ in its  
 6 resolution of intention, ~~declare~~ declares to be the district  
 7 benefited by ~~said the~~ work or improvements ~~and to be~~  
 8 ~~assessed to pay the costs and expenses thereof."~~

9 Section 25. Section 11-2303, R.C.M. 1947, is amended  
 10 to read as follows:

11 "11-2303. Limitation on amount of indebtedness. No  
 12 city or town ~~shall may~~ issue bonds for any purpose in an  
 13 amount which, with all outstanding and unpaid indebtedness,  
 14 will exceed ~~five per centum (5%)~~ 10% of the ~~assessed~~ taxable  
 15 value of the ~~taxable~~ property therein subject to taxation,  
 16 to be ascertained by the last assessment for state and  
 17 county taxes, ~~provided, however, that for~~ For the purpose  
 18 of constructing a sewerage system, ~~or~~ procuring a water  
 19 supply, ~~or~~ constructing or acquiring a water system for a  
 20 city or town, which shall own and control ~~such the~~ water  
 21 supply and water system and devote the revenues therefrom to  
 22 the payment of the debt, a city or town may incur an  
 23 additional indebtedness by borrowing money or issuing bonds.  
 24 The additional total indebtedness ~~which that~~ may be incurred  
 25 by borrowing money or issuing bonds for the construction of

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

14 Section 26. Section 11-3921, R.C.M. 1947, is amended  
 15 to read as follows:

16 "11-3921. Allocation of taxes. (1) Any urban renewal  
 17 plan, as defined in ~~section~~ 11-3901, may contain a provision  
 18 or be amended to contain a provision providing that taxes  
 19 levied on taxable property in an urban renewal area each  
 20 year by or for the benefit of the state, any city, county,  
 21 or other political subdivisions for which taxes are levied,  
 22 ~~hereafter referred to as taxing bodies~~ shall be allocated,  
 23 after the effective date of such provision as provided in  
 24 subsections (3) and (4) of this section.

25 (2) For the purposes of this section:



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

10 (b) the word "taxes" includes, but is not limited to,  
 11 all levies on an ad valorem basis upon land or real  
 12 property;

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

15 (3) The portion of taxes produced by levies ~~for a~~  
 16 ~~taxing body~~ upon the total sum of the prior ~~assessed~~ taxable  
 17 value of the ~~taxable~~ property in the urban renewal area  
 18 subject to taxation shall be allocated and paid into the  
 19 funds of the taxing body like taxes paid by or for the  
 20 taxing body on all other property. For the purpose of  
 21 allocating taxes levied by a taxing body that did not  
 22 include the urban renewal area on the effective date of the  
 23 provision allocating the taxes but to which the urban  
 24 renewal area has since been annexed or otherwise included,  
 25 the assessment roll of the county last equalized prior to

1 the effective date of the provision shall be used in  
 2 determining the prior ~~assessed~~ taxable value.

3 (4) The portion of taxes levied by ~~each~~ the taxing  
 4 body each year in excess of the amount levied under  
 5 subsection (3) shall be paid by the county treasurer into a  
 6 special fund held by the city treasurer to pay the principal  
 7 and interest on bonds issued under authority of ~~section~~  
 8 11-3910, except that taxes for the payment of all bonds and  
 9 interest of each taxing body must be levied against all  
 10 taxable property within the taxing body without limitation  
 11 by the provisions of this subsection. Until the actual  
 12 ~~assessed valuation~~ taxable value of all property in the  
 13 urban renewal area exceeds the prior ~~assessed~~ taxable value  
 14 of all taxable property within such area, the actual  
 15 ~~assessed~~ taxable value of all property shall be used for  
 16 taxation purposes.

17 (5) The portion of taxes allocated in subsection (4)  
 18 above, and the special fund into which they are paid, may be  
 19 pledged by a municipality for the payment of the principal  
 20 and interest on bonds issued under the authority of ~~section~~  
 21 11-3910, or bonded indebtedness, incurred by a municipality  
 22 to refinance in whole or in part, the urban renewal project.  
 23 Prior to the sale of any bonds, there shall be ~~(a)~~ an  
 24 election under ~~sections~~ 11-2308 and 11-2309 approving such  
 25 sale, or ~~(b)~~ a petition for the sale signed by the owners of

1 record of at least ~~fifty-one percent~~ (51%) of the land  
2 within the urban renewal district.

3 (6) After all bonds and interest have been paid, all  
4 ~~sales moneys~~ received from taxes upon property within the  
5 urban renewal area shall be allocated as taxes on all other  
6 property."

7 Section 27. Section 11-4111, R.C.M. 1947, is amended  
8 to read as follows:

9 "11-4111. Levy authorized — uses — restrictions. (1)  
10 Upon an affirmative vote of a majority of the qualified  
11 voters voting in a city, county, or town on the question of  
12 whether the governing body may levy a tax for economic  
13 development, the governing body of that city, county, or  
14 town is authorized to levy in any one election up to ~~one~~  
15 ~~(1)~~ mill upon the assessed taxable value of all the taxable  
16 property in the county, city, or town subject to taxation  
17 for the purpose of economic development, for a period not to  
18 exceed ~~five~~ (5) years, ~~by any one election.~~

19 (2) Funds derived from this levy may be used for  
20 purchasing land for industrial parks, constructing buildings  
21 to house manufacturing and processing operations, conducting  
22 preliminary feasibility studies, promoting economic  
23 development opportunities in a particular area, and other  
24 activities generally associated with economic development.  
25 These funds may not be used to directly assist an industry's

1 operations by loan or grant ~~or~~ to pay the salary or  
2 salary supplements of government employees.

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

8 Section 28. Section 14-307, R.C.M. 1947, is amended to  
9 read as follows:

10 "14-307. Lien of corporate indebtedness upon  
11 membership lands. ~~From and after~~ After the date of the  
12 inclusion of any land or property as a member ~~thereof~~ in any  
13 corporation, or district, organized under the provisions  
14 ~~hereof of this section~~, all mortgage or bonded indebtedness  
15 ~~thereafter~~ created by such corporation, or district, ~~shall~~  
16 ~~be deemed is~~ a first lien upon ~~such the~~ membership lands, to  
17 ~~the an~~ extent of not to exceed ~~five per cent~~ 18% of the  
18 ~~assessed valuation taxable value~~ thereof if the ~~same shall~~  
19 ~~be land is~~ grazing or agricultural, and not to exceed ~~ten~~  
20 ~~per cent~~ 36% of the ~~assessed valuation taxable value~~ thereof  
21 if the ~~same shall be land is~~ horticultural or  
22 vegetable-producing lands. The recording of the copy of the  
23 articles of incorporation, or petition to become a member of  
24 such corporation, or district, ~~shall be is~~ notice to all  
25 subsequent lien claimants that ~~such the~~ lands are subject to

1 a first lien, ~~of not to exceed the amount specified herein;~~  
 2 ~~provided, However, nothing herein shall in this section may~~  
 3 be construed as placing a limit upon the indebtedness that  
 4 may be made a lien against any of the corporate or property  
 5 assets of the corporation, or district, as distinguished  
 6 from membership lands individually owned, ~~and included~~  
 7 ~~therein for the purposes hereof."~~

8 Section 29. Section 16-502, R.C.M. 1947, is amended to  
 9 read as follows:

10 "16-502. Basis of taxation upon creation of new county  
 11 — terms used in law defined. For the purposes of this act,  
 12 the assessed valuation of all property, whether included  
 13 within the boundaries of a proposed new county, or remaining  
 14 within the boundaries of any existing county or counties  
 15 from which territory is taken, shall be fixed and determined  
 16 on the same basis as is used for the imposition of taxes in  
 17 the state of Montana, ~~to wit: By taking that percentage of~~  
 18 ~~the true and full value of all taxable property in any~~  
 19 ~~county specified by section 84-302.~~

20 ~~Whenever in this act the term "assessed valuation" or~~  
 21 ~~"valuation based on the last assessment roll" is used, said~~  
 22 ~~terms shall be construed as meaning taxable valuation~~  
 23 ~~determined as herein provided, not the full and true~~  
 24 ~~valuation of property."~~

25 Section 30. Section 16-807, R.C.M. 1947, is amended to

1 read as follows:

2 "16-807. Limit of indebtedness. No county may become  
 3 indebted in any manner or for any purpose to an amount,  
 4 including existing indebtedness, in the aggregate exceeding  
 5 ~~five per centum 18%~~ of the ~~assessed taxable~~ value of the  
 6 ~~taxable~~ property therein subject to taxation, ~~to be as~~  
 7 ascertained by the last assessment for state and county  
 8 taxes previous to the incurring of such indebtedness, ~~and~~  
 9 ~~all All~~ bonds or obligations in excess of such amount given  
 10 by or on behalf of ~~such the~~ county are void. No county may  
 11 incur ~~any~~ indebtedness or liability for any single purpose  
 12 to an amount exceeding ~~forty thousand dollars (\$40,000)~~  
 13 without the approval of a majority of the electors thereof  
 14 voting at an election to be provided by law, ~~except as~~  
 15 provided in ~~sections~~ 16-1407.1 and 16-1407.2."

16 Section 31. Section 16-808, R.C.M. 1947, is amended to  
 17 read as follows:

18 "16-808. Counties indebted beyond constitutional limit  
 19 may operate on cash basis. ~~That in~~ In case the total  
 20 indebtedness of a county, lawful when incurred, ~~by reason of~~  
 21 ~~great diminution of assessed value~~ exceeds the limit of ~~five~~  
 22 ~~per centum (5%) 18%~~, by reason of great diminution of  
 23 taxable value, ~~it shall be lawful for said the~~ county ~~and it~~  
 24 ~~is hereby authorized and empowered to thereafter manage and~~  
 25 may conduct its business affairs on a cash basis and pay the

1 reasonable and necessary current expenses of ~~said the~~ county  
 2 out of the cash in the county treasury and derived from its  
 3 current revenue, and under such restrictions and regulations  
 4 as may be imposed by the board of county commissioners of  
 5 ~~said the~~ county by a resolution duly adopted and ~~spread upon~~  
 6 included in the minutes of ~~said the~~ board, ~~provided,~~  
 7 ~~however, that nothing herein shall restrict~~ Nothing in this  
 8 section restricts the right of ~~said the~~ board to make the  
 9 necessary tax levies for interest and sinking fund purposes,  
 10 and ~~provided further that nothing herein shall affect in~~  
 11 this section affects the right of any creditor of ~~said the~~  
 12 county to pursue any remedy now given him by law to obtain  
 13 payment of his claim."

14 Section 32. Section 16-1152, R.C.M. 1947, is amended  
 15 to read as follows:

16 "16-1152. Tax levy for payment of warrants. The board  
 17 of county commissioners shall annually determine the amount  
 18 of ~~such the~~ warrants drawn on the general fund for the  
 19 purposes of controlling insect pests under a cropland  
 20 spraying program approved by the department of agriculture, ~~and~~  
 21 In the succeeding year, the board shall levy a tax for  
 22 the purpose of insect pest extermination sufficient ~~in~~  
 23 ~~amount~~ to reimburse ~~said the~~ general fund for the money ~~so~~  
 24 paid out on ~~each the~~ warrants, ~~which said~~ The tax shall be  
 25 levied upon all the property in the county and shall not

1 exceed ~~three (3)~~ mills on each dollar of ~~assessed valuation~~  
 2 taxable value. If there ~~be~~ is no money in the general fund  
 3 with which to pay such warrants, they shall be registered  
 4 and bear interest in the same manner as other county  
 5 warrants, ~~but in such~~ In this case the interest shall be  
 6 computed and added to the amount for which such tax is  
 7 levied."

8 Section 33. Section 16-1412, R.C.M. 1947, is amended  
 9 to read as follows:

10 "16-1412. Budget for district fairs — consideration  
 11 by county commissioners — tax levy — district fair fund —  
 12 expenditures. (1) ~~Aside from the revenue derived from~~  
 13 ~~annual fairs or other exhibitions conducted, the necessary~~  
 14 ~~revenue shall be raised as follows: The~~ To raise the revenue  
 15 necessary to hold district fairs, the board of directors  
 16 shall meet during the first week of May of each year, and  
 17 shall make a budget of the amounts required in the conduct  
 18 of the affairs of the district, for the following year, ~~and~~  
 19 The board shall deduct ~~therefrom from the budget~~ the  
 20 probable income from the annual district fair and other  
 21 exhibitions to be held by ~~said the~~ district during the  
 22 following year, and shall then apportion the remaining  
 23 balance among the various counties forming ~~said the~~ district  
 24 in proportion to the assessed property of each county as  
 25 determined by the assessment rolls of the preceding year,

1 ~~save in the case of~~ By mutual agreement of the directors,  
 2 the share apportioned to the county in which the fair is  
 3 being conducted, ~~in which county the levy may, by mutual~~  
 4 ~~agreement of the directors,~~ may be made larger than in other  
 5 counties comprising the district, ~~and the~~ The secretary  
 6 shall certify to each board of county commissioners the  
 7 amount of ~~said the~~ budget and the amount of revenue to be  
 8 raised by ~~such the~~ county for ~~such these~~ purposes, and shall  
 9 file a certified copy thereof with the clerk of the board of  
 10 county commissioners of each of the counties in ~~said the~~  
 11 district on or before ~~the first day of~~ June 1 of each year.  
 12 The respective boards of county commissioners of the  
 13 counties comprising ~~said the~~ district, shall meet in joint  
 14 assembly with their county fair commissioners during the  
 15 first week of June of each year and shall jointly consider  
 16 the budget proposed by the board of directors of the  
 17 district, and shall give such approval or suggest such  
 18 amendments or modifications as ~~to them may seem~~ they think  
 19 proper and desirable.

20 (2) If the county commissioners shall fail to hold  
 21 ~~such the~~ joint meeting, or shall fail to take any action,  
 22 then the budget, certified by the secretary of the fair  
 23 district shall be, without further action, ~~deemed~~ approved,  
 24 and the sums of money apportioned to the county shall be the  
 25 sums to be raised by special levy for ~~said this~~ purpose. For

1 the purpose of raising the ~~aforsaid~~ revenues, the board of  
 2 county commissioners of each county in the district shall  
 3 annually make a levy to raise the required sum apportioned  
 4 to the respective counties, ~~provided however that~~ However,  
 5 the ~~said~~ levy shall not exceed ~~one (1)~~ mill on the dollar of  
 6 the ~~assessed valuation~~ taxable value of all the taxable  
 7 property in the county, ~~except in the case of the county in~~  
 8 which the fair is being conducted, ~~in which~~ In this county,  
 9 the levy shall not exceed ~~one and one-half (1 1/2)~~ mills on  
 10 the dollar of taxable property in the county, ~~in~~ In  
 11 addition ~~thereto~~ to this levy, any and all moneys available  
 12 ~~to~~ for the holding of county fairs may be allotted and  
 13 transferred to the use of the district fair as the  
 14 respective county fair commissioners may elect, ~~the~~ The  
 15 funds available to a district fair shall, on the first  
 16 Monday in August or as soon thereafter as may be possible,  
 17 be deposited with the county treasurer of the county in  
 18 which the district fair is to be held and ~~by him and~~  
 19 credited to a fund to be known as the district fair fund,  
 20 held and paid out in the same manner as the county fair  
 21 fund, except that it shall be paid out on district fair  
 22 board warrants signed by the chairman or the vice-chairman  
 23 and the secretary of the district fair board, ~~provided that~~  
 24 ~~the~~ The treasurer of the county in which the district fair  
 25 shall will be held shall carry the moneys received from the

1 various counties in the district in the regular county fair  
2 fund in the same manner as regular county fair moneys,  
3 payable, however, only on district fair warrants."

4 Section 34. Section 16-2010.1, R.C.M. 1947, is amended  
5 to read as follows:

6 "16-2010.1. Limit on city-county consolidated  
7 indebtedness. No city-county consolidated local government  
8 may issue bonds for any purpose which, with all outstanding  
9 indebtedness, will may exceed ~~seven and one-half percent (7~~  
10 ~~1/2%)~~ 27% of the assessed taxable value of the taxable  
11 property therein subject to taxation, ~~to be~~ as ascertained  
12 by the last assessment for state and county taxes, 1  
13 ~~provided, however, that~~ However, for the purpose of  
14 constructing a sewerage system or procuring a water supply  
15 or constructing or acquiring a water system for a  
16 city-county consolidated government, which shall own and  
17 control such water supply and water system and devote the  
18 revenues therefrom to the payment of the debt, a city-county  
19 consolidated government may incur an additional indebtedness  
20 by borrowing money or issuing bonds. The additional  
21 indebtedness, which may be incurred by borrowing money or  
22 issuing bonds for the construction of a sewerage system, or  
23 for the procurement of a water supply, or for both such  
24 purposes, ~~including all indebtedness theretofore contracted~~  
25 ~~which is unpaid or outstanding,~~ may not in the aggregate

1 exceed ~~ten percent (10%)~~, over and above the ~~seven and~~  
2 ~~one-half percent (7 1/2%)~~ 27% heretofore referred to, of the  
3 assessed taxable value of the taxable property therein  
4 subject to taxation as ascertained by the last assessment  
5 for state and county taxes. The issuing of bonds for the  
6 purpose of funding or refunding outstanding warrants or  
7 bonds is not the incurring of a new or additional  
8 indebtedness, but is merely the changing of the evidence of  
9 outstanding indebtedness."

10 Section 35. Section 16-4020, R.C.M. 1947, is amended  
11 to read as follows:

12 "16-4020. Disposal of property — leasing — sale. (1)  
13 Each county to which any part of an abandoned and abolished  
14 county is attached ~~and made a part and becoming~~ becomes the  
15 owner under the provisions of this act of the real and ~~any~~  
16 tangible personal property of ~~an~~ the abandoned and abolished  
17 county and may use all of ~~such~~ this property for county  
18 purposes, ~~or~~ may lease any of ~~such~~ this real estate, or may  
19 sell any of ~~such~~ the real estate or personal property.

20 ~~(2) provided that no such~~ No personal property having  
21 a value in excess of ~~one hundred dollars (\$100.00)~~ shall be  
22 ~~sold unless the same~~ may be sold unless it has been  
23 appraised within ~~one~~ 1 year immediately prior to the date of  
24 sale by three taxpayers, ~~residing~~ who reside within the  
25 territory ~~embraced within the boundaries~~ of the abandoned

1 and abolished county, ~~and who were~~ appointed by the judge of  
 2 the district court to which the county succeeding to the  
 3 ownership of ~~such the~~ property is attached, on petition of  
 4 the board of county commissioners thereof, ~~and no~~ No sale  
 5 of any ~~such~~ personal property shall ~~may~~ be made except at  
 6 public sale after notice or for a price less than ~~ninety per~~  
 7 ~~centum~~ (90%) of ~~such the~~ appraised value.

8 ~~(2)~~ (3) No ~~such~~ real property shall ~~may~~ be leased  
 9 unless the board of county commissioners ~~shall present~~  
 10 ~~presents~~ to the judge of the district court to which the  
 11 county is attached a petition describing the real estate,  
 12 with any improvements thereon, and setting forth the terms  
 13 of the proposed lease, ~~and the same~~ The petition shall be  
 14 approved by ~~such the~~ judge, ~~which approval shall be endorsed~~  
 15 ~~on such petition~~ and filed in the office of the clerk of  
 16 ~~said the~~ county.

17 ~~(3)~~ (4) No real estate shall ~~may~~ be sold by ~~said the~~  
 18 board of county commissioners unless the ~~same~~ property has  
 19 been appraised within ~~one~~ 1 year immediately prior to the  
 20 date of sale by three taxpayers ~~residing~~ who reside within  
 21 the territory ~~embraced within the boundaries~~ of the  
 22 abandoned and abolished county, ~~and who were~~ appointed by  
 23 the judge of the district court to which the county is  
 24 attached, on petition of the board of county commissioners  
 25 of such county, ~~and every such~~ Every sale of real estate

1 shall be made at public sale, and notice ~~of such sale~~ shall  
 2 abolished county, such moneys shall be applied in payment of  
 3 such warrants and interest;

4 (b) if there are no ~~such~~ warrants outstanding but  
 5 district bonds have been issued under the provisions of  
 6 subdivision (b) of ~~section~~ 16-4016, then ~~such the~~ moneys  
 7 shall be deposited in the sinking and interest fund for ~~such~~  
 8 district ~~bond~~ bonds;

9 (c) if there ~~be are~~ no ~~such~~ district bonds  
 10 outstanding, then ~~such the~~ moneys shall be deposited to the  
 11 credit of the sinking and interest funds for bonds issued  
 12 and outstanding when the abandoned and abolished county  
 13 ceased to exist; and

14 (d) if there ~~be are~~ no ~~such~~ bonds outstanding ~~and~~  
 15 ~~unpaid~~, then ~~such the~~ moneys shall be apportioned to all of  
 16 the counties to which parts of the abandoned county were  
 17 attached in the proportion which the ~~assessed valuation~~  
 18 ~~taxable value~~ of the property in each ~~such~~ part on ~~the first~~  
 19 ~~day of~~ January 1 immediately preceding the abandonment bears  
 20 to the ~~assessed valuation~~ ~~taxable value~~ of all the property  
 21 in ~~such the~~ abandoned county, ~~and~~ The apportioned moneys  
 22 shall be deposited in ~~such the~~ funds of ~~such each~~ county as  
 23 the boards of county commissioners of ~~such the~~ counties may  
 24 direct."

25 Section 36. Section 32-3107, R.C.M. 1947, is amended

1 to read as follows:

2 "32-3107. Report of county road superintendent —  
3 order creating district. (1) At the next annual meeting of  
4 the board after the road superintendent has completed  
5 surveying the road and making estimates, he shall make a  
6 detailed report. ~~(\*)~~ The report shall state that the maps,  
7 descriptions, plans, specifications, and details and  
8 estimates of damages, costs, and expenses have been  
9 completed.

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

16 (3) That order shall create the local improvement  
17 district to be known and designated as local improvement  
18 district No. .... in .... county, Montana. Copies of the  
19 report shall be kept in the offices of the board and road  
20 superintendent."

21 Section 37. Section 46-1914, R.C.M. 1947, is amended  
22 to read as follows:

23 "46-1914. Levy of tax for purpose of paying for  
24 destruction of wild animals — limitation on levy. The  
25 department of revenue shall annually prescribe the levy

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

16 Section 38. Section 53-114, R.C.M. 1947, is amended to  
17 read as follows:

18 "53-114. Application for registration of motor  
19 vehicles and payment of license fees thereon — assessment  
20 of motor vehicles in the stock of licensed motor vehicle  
21 dealers as merchandise. (1) Every owner of a motor vehicle  
22 operated or driven upon the public highways of this state  
23 shall, for each motor vehicle owned, except as herein  
24 otherwise expressly provided, file, or cause to be filed, in  
25 the office of the county treasurer ~~wherein~~ where ~~each~~ the



1 motor vehicle is owned or taxable, an application for  
 2 registration, or reregistration, upon a blank form to be  
 3 prepared and furnished by the registrar of motor vehicles,  
 4 which ~~The~~ application shall contain:

5 (a) ~~Name name~~ and address of owner, giving county,  
 6 school district, and town or city within whose corporate  
 7 limits the motor vehicle is taxable;

8 (b) ~~Name name~~ and address of conditional sales vendor,  
 9 mortgagee, or holder of other lien against ~~said the~~ motor  
 10 vehicle, with statement of amount owing under such contract  
 11 or lien;

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

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

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

20 (2) ~~Whoever A person who~~ files an application for  
 21 registration or reregistration of a motor vehicle, except of  
 22 a mobile home as defined in ~~section 84-101, R.C.M., 1947,~~  
 23 shall before filing such application with the county  
 24 treasurer submit the same to the county assessor of ~~said the~~  
 25 county, ~~and said The~~ county assessor shall enter on ~~said the~~

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

5 (3) ~~Whoever A person who~~ files an application for  
 6 registration or reregistration of a motor vehicle, except of  
 7 a mobile home as defined in ~~section 84-101, R.C.M., 1947,~~  
 8 shall upon the filing of ~~said the~~ application ~~(1)~~ pay to the  
 9 county treasurer the registration fee, as provided in  
 10 ~~section 53-122 and section 53-115, and shall also at such~~  
 11 ~~time (2)~~ pay the personal property taxes assessed on the new  
 12 motor vehicle sales tax against ~~said the~~ vehicle for the  
 13 current year of registration, ~~(unless the same shall have~~  
 14 ~~been theretofore paid for said the year),~~ before the  
 15 application for registration or reregistration may be  
 16 accepted by the county treasurer. The county treasurer ~~is~~  
 17 ~~hereby empowered to pay~~ make full and complete investigation  
 18 of the tax status of ~~said the~~ vehicle, ~~and any Any~~ applicant  
 19 for registration or reregistration must submit proof ~~with~~  
 20 ~~respect thereto~~ from the tax records of the proper county at  
 21 the request of the county treasurer.

22 (4) The amount of taxes on ~~said the~~ motor vehicle,  
 23 except a mobile home as defined in ~~section 84-101, R.C.M.,~~  
 24 ~~1947, shall be is~~ computed and determined by the county  
 25 treasurer on the basis of the levy of the year preceding the

1 current year of application for registration or  
 2 reregistration, ~~and such~~ The determination ~~shall be is~~  
 3 entered on the application form in a space provided  
 4 therefor.

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

15 (6) The applicant for original registration of any  
 16 wholly new and unused motor vehicle, except a mobile home as  
 17 defined in ~~section 84-101, R.C.M., 1947,~~ acquired by  
 18 original contract after ~~the first day of~~ January 1 of any  
 19 year shall be required, whenever such vehicle has not been  
 20 otherwise assessed, to pay the motor vehicle sales tax  
 21 provided by ~~section 32-3315, R.C.M., 1947,~~ irrespective of  
 22 whether ~~or not such~~ the vehicle was in the state of Montana  
 23 on ~~the first day of~~ January 1 of ~~such~~ the year.

24 (7) Upon accepting application for registration or  
 25 reregistration of any motor vehicle which is subject to

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

10 (8) The registrar of motor vehicles ~~shall have~~  
 11 authority to pay make proper entry of the payment of taxes  
 12 in accord with the facts on any certificate of title to ~~pay~~  
 13 a motor vehicle ~~respecting payment of taxes in accord with~~  
 14 ~~the facts.~~

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

19 Section 39. Section 53-1025, R.C.M. 1947, is amended  
 20 to read as follows:

21 "53-1025. Display of tax-paid decals on snowmobiles  
 22 required — application and issuance. ~~(a) (1)~~ No snowmobile  
 23 shall pay be operated by any person in the state of Montana  
 24 unless there is displayed in a conspicuous place ~~thereon~~ on  
 25 it a decal as visual proof that Montana personal property

1 taxes have been paid ~~thereon~~ on it for the current year.

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

- 9       (a) name of owner;  
10       (b) address;  
11       (c) registration number;  
12       (d) name of manufacturer;  
13       (e) model number;  
14       (f) make;  
15       (g) horsepower;  
16       (h) year of manufacture;  
17       (i) statement evidencing assessment, and payment of  
18 property tax; and  
19       (j) such other information as the registrar of motor  
20 vehicles may require.

21       (3) ~~Said~~ The application shall be signed by the county  
22 treasurer and transmitted by him to the registrar of motor  
23 vehicles accompanied by a fee of ~~two dollars~~ (\$2). All  
24 moneys collected from payment of ~~such~~ the fees shall be  
25 turned over to the state treasurer and placed ~~by him~~ in the

1 earmarked revenue fund to the credit of the state fish and  
2 game commission, with ~~one dollar~~ (\$1) designated for use in  
3 enforcing the purposes of this act and ~~one dollar~~ (\$1)  
4 designated for use in developing snowmobile facilities. Upon  
5 receipt of the application in approved form, the registrar  
6 of motor vehicles or county treasurer shall issue to the  
7 applicant a decal in the style and design prescribed by the  
8 registrar of motor vehicles and of a different color than  
9 the preceding year, numbered ~~numerically~~ in sequence.

10       ~~(b)~~ (4) Before filing the application with the county  
11 treasurer, the applicant shall submit ~~the same~~ it to the  
12 county assessor of the county and the county assessor shall  
13 enter on the application in a place provided for that  
14 purpose, the ~~full and true~~ market ~~and assessed~~ valuation  
15 value of the snowmobile for the year for which the  
16 application is made.

17       ~~(c)~~ (5) The applicant shall pay the county treasurer  
18 the application fee and ~~shall also pay~~ the personal property  
19 taxes assessed against the snowmobile for the current year  
20 before the application for registration or reregistration  
21 may be accepted by the county treasurer."

22       Section 40. Section 69-3504, R.C.M. 1947, is amended  
23 to read as follows:

24       "69-3504. Identification number. ~~(a)~~ (1) The owner of  
25 each motorboat requiring numbering by this state shall file

1 an application for number in the office of the county  
 2 treasurer ~~wherein where~~ the motorboat or vessel is owned or  
 3 taxable, on forms prepared and furnished by the registrar of  
 4 motor vehicles. The application shall be signed by the owner  
 5 of the motorboat and shall be accompanied by a fee of ~~one~~  
 6 ~~(\$1) dollar~~. Any alteration, change, or false statement  
 7 contained in the application for certificate of registration  
 8 will render the certificate of number null and void. Upon  
 9 receipt of the application in approved form, the county  
 10 treasurer shall issue to the applicant a certificate of  
 11 number prepared and furnished by the registrar of motor  
 12 vehicles, stating the number awarded to the motorboat and  
 13 the name and address of the owner. The number awarded must  
 14 be painted on or attached to each outboard side of the  
 15 forward half of the motorboat, or, if there are no such  
 16 sides, at a corresponding location on both outboard sides of  
 17 the foredeck of the motorboat ~~for which it is issued~~. The  
 18 number awarded shall read from left to right, in Arabic  
 19 numerals, in block characters of good proportion, ~~a minimum~~  
 20 ~~of at least three (3) inches in height tall~~, excluding  
 21 border or trim, and of a color ~~which shall contrast that~~  
 22 ~~contrasts~~ with the color of the background, and so  
 23 maintained as to be clearly visible and legible. The number  
 24 shall ~~may~~ not be placed on the obscured underside of the  
 25 flared bow where ~~the angle is such that the numbers it~~

1 cannot be easily seen from another vessel or ashore. No  
 2 numerals, letters, or devices other than those used in  
 3 connection with the identifying number issued shall ~~may~~ be  
 4 placed in the proximity of the identifying number, ~~and no~~  
 5 ~~No~~ numerals, letters, or devices which might interfere with  
 6 the ready identification of the motorboat by its identifying  
 7 number shall ~~may~~ be carried as to interfere with the  
 8 motorboat's identification. The certificate of number shall  
 9 be pocket size and shall ~~be~~ available to federal, state, or  
 10 local law enforcement officers at all reasonable times for  
 11 inspection on the motorboat ~~for which issued~~, whenever the  
 12 motorboat is on waters of this state, ~~except boat Boat~~  
 13 liveries are not required to have the certificate of number  
 14 on board each motorboat, ~~except that a A~~ rental agreement  
 15 must be carried on board livery motorboats in place of the  
 16 certificate of number.

17 ~~(b)(2)~~ Before filing ~~each the~~ application with the  
 18 county treasurer, the applicant shall submit ~~the same it~~  
 19 the county assessor of ~~said the~~ county and ~~said the~~ county  
 20 assessor shall enter on ~~said the~~ application in a space to  
 21 be provided for that purpose, the ~~full and true and assessed~~  
 22 ~~valuation market value~~ of ~~said the~~ vehicle for the year for  
 23 which ~~said the~~ application for registration is made.

24 ~~(c)(3)~~ The applicant shall, upon the filing of the  
 25 application, pay to the county treasurer, the registration

1 fee and ~~shall also pay~~ the personal property taxes assessed  
2 against the motorboat or vessel for the current year of  
3 registration before the application for registration or  
4 reregistration may be accepted by the county treasurer.

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

8 ~~(4)~~ (4) A dealer or manufacturer may apply directly to  
9 the registrar of motor vehicles for one ~~(4)~~ identifying  
10 number and one ~~(4)~~ or more certificates of number. A  
11 dealer's or manufacturer's identifying number shall be  
12 displayed on ~~a dealer's or manufacturer's~~ his boat while the  
13 boat is operating for a purpose related to the buying,  
14 selling, or exchanging of the boat by the dealer or  
15 manufacturer. ~~(2)~~ The application for a dealer's or  
16 manufacturer's identifying number shall include ~~the~~ his name  
17 ~~of the dealer or manufacturer~~ and the business address of  
18 ~~the dealer or manufacturer~~. Each dealer or manufacturer  
19 ~~shall will~~ have one ~~(4)~~ identifying number assigned to his  
20 business. ~~(3)~~ An application for dealer's or manufacturer's  
21 identifying number and certificate of number shall must be  
22 accompanied by the following fees:

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

25 ~~(B)~~ (b) for each additional certificate of number and

1 set of license decals applied for in any application, ~~two~~  
2 ~~dollars~~ ~~(\$2)~~.

3 ~~(4)~~ (5) The registrar of motor vehicles shall issue  
4 certificates of number for the identifying number awarded to  
5 a dealer or manufacturer in the same manner as provided in  
6 ~~section~~ 69-3504(a), except that no boat shall be described  
7 in the certificate and each certificate shall state that the  
8 identifying number has been awarded to a dealer or  
9 manufacturer. A dealer's or manufacturer's certificate of  
10 number expires on April 30 of the year for which it is  
11 issued. ~~(5)~~ A dealer's or manufacturer's identifying number  
12 shall be displayed in the same manner as provided in ~~section~~  
13 69-3504(a) of this act, except that the number may be  
14 temporarily attached, and that the last three ~~(3)~~ letters  
15 shall be "DLR" for dealer and "MFR" for manufacturer, ~~these~~  
16 These letters shall be included, respectively, in dealer or  
17 manufacturer identification numbers only. ~~(6)~~ No person  
18 other than a dealer or manufacturer or an employee of a  
19 dealer or manufacturer shall display or use a dealer's or  
20 manufacturer's identifying number. A dealer's or  
21 manufacturer's identifying number may be displayed only on  
22 motorboats owned by the dealer or manufacturer. ~~(7)~~ No  
23 dealer or manufacturer or employee of a dealer or  
24 manufacturer shall may use a dealer's or manufacturer's  
25 identifying number for any purpose other than the purpose

1 described in subsection ~~(4)~~ (4) of this section.

2 ~~(5)~~ (6) The owner of any motorboat already covered by a  
 3 number in full force and effect, ~~which~~ that has been awarded  
 4 to it ~~pursuant to them~~ under operative federal law or a  
 5 federally approved numbering system of another state, shall  
 6 record the number prior to operating the motorboat on the  
 7 waters of this state in excess of the ~~sixty~~ (60)-day  
 8 reciprocity period provided for in ~~section~~ 69-3506(1) of  
 9 this act. ~~Such recordation~~ The record shall be ~~in the manner~~  
 10 ~~and pursuant to the~~ made according to the procedure required  
 11 for the award of number under subsection ~~(4)~~ (1) of this  
 12 section.

13 ~~(6)~~ (7) Should the ownership of a motorboat change,  
 14 ~~within a reasonable time~~ a new application form with fee  
 15 shall be filed within a reasonable time with the county  
 16 treasurer and a new certificate of number ~~shall be~~ awarded  
 17 in the same manner as provided for in an original award of  
 18 number.

19 ~~(7)~~ (8) If an agency of the United States government  
 20 has in force ~~an over-all~~ a comprehensive system of  
 21 identification numbering for motorboats in the United  
 22 States, the numbering system employed pursuant to this act  
 23 by the registrar of motor vehicles shall be in conformity  
 24 ~~therewith~~.

25 ~~(8)~~ (9) Every certificate of number and the license

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

8 ~~(9)~~ (10) Certificates of number ~~do~~ shall expire on  
 9 April 30 of each ~~calendar~~ year and ~~shall no longer~~ may not  
 10 be ~~of any~~ in effect unless renewed under this act.

11 ~~(10)~~ (11) In event of transfer of ownership, the  
 12 purchaser shall furnish the county treasurer notice within  
 13 reasonable time of the acquisition of all or any part of his  
 14 interest, other than the creation of a security interest, in  
 15 a motorboat numbered in this state ~~under this section~~, or of  
 16 the loss, theft, destruction, or abandonment of the  
 17 motorboat, ~~within reasonable time thereof~~. ~~Such~~ The  
 18 transfer, loss, theft, destruction, or abandonment ~~shall~~  
 19 ~~terminate~~ terminates the certificate of number for the  
 20 motorboat, ~~except that in the case of a recovery~~ Recovery  
 21 from theft, or transfer of a part interest ~~which that~~ does  
 22 not affect the owner's right to operate the motorboat, ~~the~~  
 23 ~~recovery or transfer~~ does not terminate the certificate of  
 24 number.

25 ~~(11)~~ (12) A holder of a certificate of number shall

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

10 ~~(1)~~ (13) No number other than the number and license  
 11 decal awarded to a motorboat or granted reciprocity under  
 12 this act, shall be painted, attached, or otherwise displayed  
 13 on either side of the forward half of the motorboat.

14 ~~(2)~~ (14) Fees collected under this section shall be  
 15 transmitted to the state treasurer who shall deposit the  
 16 fees in the motorboat certificate identification account of  
 17 an earmarked revenue fund. These fees shall be used only for  
 18 the administration and enforcement of ~~sections~~ 69-3501  
 19 through 69-3518.

20 ~~(3)~~ (15) An owner of a motorboat must within reasonable  
 21 time notify the registrar of motor vehicles, giving the  
 22 motorboat's identifying number and the owner's name, ~~within~~  
 23 ~~reasonable time,~~ when that motorboat becomes documented as a  
 24 vessel of the United States, or is transferred, lost,  
 25 destroyed, abandoned, frauded, or within ~~sixty~~ (60) days

1 after change of state of principal use."

2 Section 41. Section 75-7104, R.C.M. 1947, is amended  
 3 to read as follows:

4 "75-7104. Limitations on amount of bond issue. (1) The  
 5 maximum amount for which each school district ~~shall~~ may  
 6 become indebted by the issuance of bonds, including all  
 7 indebtedness represented by outstanding bonds of previous  
 8 issues and registered warrants, is ~~eight percent (8%)~~ 29% of  
 9 the ~~assessed~~ taxable value of the ~~taxable~~ property ~~therein~~  
 10 subject to taxation as ascertained by the last completed  
 11 assessment for state, county, and school taxes previous to  
 12 the incurring of such indebtedness. The ~~eight percent (8%)~~  
 13 29% maximum, however, ~~shall~~ may not pertain to indebtedness  
 14 imposed by special improvement district obligations or  
 15 assessments against the school district. All bonds issued  
 16 in excess of such amount shall be null and void, except as  
 17 provided in ~~subsection (2)~~ this section.

18 (2) When the total indebtedness of a school district  
 19 has reached the ~~eight percent (8%)~~ 29% limitation prescribed  
 20 in this section, ~~such~~ the school district ~~shall have the~~  
 21 ~~power and authority to~~ may pay all reasonable and necessary  
 22 expenses of the school district on a cash basis in  
 23 accordance with the financial administration provisions of  
 24 this ~~title~~ chapter. Whenever bonds are issued for the  
 25 purpose of refunding bonds, any moneys to the credit of the

1 debt service fund for the payment of the bonds to be  
2 refunded ~~shall be~~ are applied towards the payment of such  
3 bonds and the refunding bond issue ~~shall be~~ is decreased  
4 accordingly.

5 ~~(2)(3)~~ In ~~the case of~~ a school district within which a  
6 new major industrial facility which seeks to qualify for  
7 taxation as class seven ~~(7)~~ property under ~~section 84-301,~~  
8 ~~R.C.M., 1947, 84-301.8~~ is being constructed or is about to be  
9 constructed, the school district may require, as a  
10 precondition of the new major industrial facility qualifying  
11 as class seven ~~(7)~~ property, that the owners of the proposed  
12 industrial facility enter into an agreement with the school  
13 district concerning the issuing of bonds in excess of the  
14 ~~eight percent (8%)~~ 29% limitation prescribed in ~~subsection~~  
15 ~~one (1) this section.~~ Under such an agreement, the school  
16 district may, with the approval of the voters, issue bonds  
17 which exceed the limitation prescribed in ~~subsection one (1)~~  
18 this section by a maximum of ~~eight percent (8%)~~ 29% of the  
19 estimated ~~assessed~~ taxable value of the ~~taxable~~ property of  
20 the new major industrial facility subject to taxation when  
21 completed. The estimated ~~assessed~~ taxable value of the  
22 ~~taxable~~ property of the new major industrial facility  
23 subject to taxation shall be computed by the department of  
24 revenue when requested to do so by a resolution of the board  
25 of trustees of the school district, ~~and a~~ and a copy of the

1 department's statement of estimated ~~assessed~~ taxable value  
2 shall be printed on each ballot used to vote on a bond issue  
3 proposed under this ~~subsection~~ section.

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

24 (5) A major industrial facility is a facility, subject  
25 to the taxing power of the school district, whose



1 construction or operation will increase the population of  
 2 the district, ~~so as to impose~~ imposing a significant burden  
 3 upon the resources of the district and ~~to require~~ requiring  
 4 construction of new school facilities. A significant burden  
 5 is an increase in ANB of at least ~~twenty percent (20%)~~ in a  
 6 single year."

7 Section 42. Section 75-8104, R.C.M. 1947, is amended  
 8 to read as follows:

9 "75-8104. Requirements for organization of community  
 10 college district. The registered electors in any area of the  
 11 state of Montana may request an election for the  
 12 organization of a community college district where the  
 13 proposed community college district conforms to the  
 14 following requirements:

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

18 (2) The ~~assessed valuation~~ taxable value of the  
 19 proposed area is at least ~~thirty million dollars~~  
 20 ~~(\$30,000,000)~~ \$1 million.

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

24 Section 43. Section 84-101, R.C.M. 1947, is amended to  
 25 read as follows:

1 "84-101. Definition of terms. ~~Whenever the~~ When terms  
 2 mentioned in this section are ~~employed in dealing with the~~  
 3 ~~subject of~~ used in connection with taxation, they are  
 4 ~~employed in the sense hereafter affixed to them.~~ defined in  
 5 the following manner:

6 ~~First--~~ (1) The term "property" includes moneys,  
 7 credits, bonds, stocks, franchises, and all other matters  
 8 and things real, personal, and mixed, capable of private  
 9 ownership, ~~but this~~ This definition must not be construed  
 10 ~~so as to authorize the taxation of the stocks of any company~~  
 11 or corporation when the property of such company or  
 12 corporation represented by ~~each~~ the stocks is within the  
 13 state and has been taxed.

14 ~~Second--~~ (2) The term "real estate" includes:

15 1. ~~(a)~~ (a) ~~The~~ the possession of, claim to, ownership of,  
 16 or right to the possession of land;

17 2. ~~(b)~~ (b) ~~all~~ all mines, minerals, and quarries in and  
 18 under the land, subject to the provisions of ~~section~~  
 19 84-5401; all timber belonging to individuals or  
 20 corporations growing or being on the lands of the United  
 21 States; and all ~~right~~ rights and privileges appertaining  
 22 thereto.

23 ~~3. Improvements.~~

24 ~~Third--~~ (3) The term "improvements" includes all  
 25 buildings, structures, fixtures, fences, and improvements,

1 ~~including mobile homes and house trailers~~ situated upon,  
 2 erected upon, or affixed to land, ~~when~~ when the department  
 3 of revenue or its agent determines that the permanency of  
 4 location of ~~the a~~ mobile home or housetrailer has been  
 5 established, ~~and for this purpose any~~ the mobile home or  
 6 housetrailer is presumed to be an improvement to real  
 7 property. If the mobile home or house trailer is an  
 8 improvement located on land not owned by the owner of such  
 9 improvement, the improvement ~~shall be~~ is assessed as a  
 10 leasehold improvement to real property and delinquent taxes  
 11 can be a lien only on the leasehold improvement.

12 ~~Fourth—(4)~~ The term "personal property" includes  
 13 everything ~~which~~ that is the subject of ownership, ~~but that~~  
 14 is not included within the meaning of the term "real estate"  
 15 and "improvements".

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

19 ~~Sixth—(5)~~ The term "credit" means ~~those~~ solvent debts,  
 20 secured or unsecured, owing to a person.

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

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

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

6 Section 44. Section 84-402, R.C.M. 1947, is amended to  
 7 read as follows:

8 ~~"84-402. Department of revenue to determine and show~~  
 9 ~~percentage basis and taxable value computed thereon and~~  
 10 ~~county County assessor to be agents agent of the state~~  
 11 ~~department of revenue. (4) The percentage basis of true and~~  
 12 ~~full value as provided for in section 84-302, shall be~~  
 13 ~~determined and assigned by the state department of revenue~~  
 14 ~~or its agents, and the taxable value thereupon computed when~~  
 15 ~~they make their annual assessments, and copies of such~~  
 16 ~~assessments as provided for in section 84-411 shall show the~~  
 17 ~~taxpayer the percentage class to which his various classes~~  
 18 ~~of property for taxation and the taxable valuation thereof~~  
 19 ~~have been assigned. (2)(1) The county assessors of the~~  
 20 various counties of the state of Montana are agents of the  
 21 state department of revenue for the purpose of locating and  
 22 providing the department a description of all taxable  
 23 property within the county together with other pertinent  
 24 information, and for the purpose of performing such other  
 25 administrative duties as are required for placing taxable

1 property on the assessment roles. The assessors shall  
2 perform such other duties as are required by law, not in  
3 conflict with the provisions of this subsection.

4 ~~(2)~~ (2) The department of revenue shall have full  
5 charge of ~~appraising~~ assessing all property subject to  
6 taxation and equalizing values and shall secure such  
7 personnel as is necessary to properly perform ~~their~~ its  
8 duties.

9 ~~(3)~~ (3) The ~~salaries~~ salary of the county assessor  
10 shall be the same amount as provided by law for the salary  
11 of the county clerk and recorder; deputy assessors' salaries  
12 shall be the same as paid the deputy clerk and recorder.

13 ~~(4)~~ (4) The county commissioners of the various  
14 counties shall provide existing office space in the county  
15 courthouse for use by the county assessor, his deputies and  
16 staff, and the state appraiser and staff, if such space is  
17 reasonably available, ~~if~~ If such space is not reasonably  
18 available in the courthouse and the same must be contracted  
19 for, the department shall pay the cost thereof. Additional  
20 personal property required by the department for the  
21 assessor to perform his duties as agent of the department  
22 shall be provided by the department."

23 Section 45. Section 84-404, R.C.M. 1947, is amended to  
24 read as follows:

25 "84-404. ~~State department~~ Department of revenue to

1 assign percentage basis, ~~—~~ when. The percentage basis of  
2 ~~true and full assessed~~ value as provided for in ~~section~~  
3 ~~84-302, shall be 84-301.2 through 84-301.15 and 84-308 is~~  
4 determined and assigned by the ~~state~~ department of revenue,  
5 ~~or its agent~~ when it makes its annual assessment of the  
6 property, ~~which it is required to assess~~ under the laws of  
7 this state, ~~and~~ The department shall transmit such  
8 determination and assignment to the various county clerks  
9 with the assessments so made, and its determination ~~shall be~~  
10 is final except as to the right of review in the proper  
11 court."

12 Section 46. Section 84-406, R.C.M. 1947, is amended to  
13 read as follows:

14 "84-406. ~~Time of assessment — motor vehicles —~~  
15 ~~mobile homes — livestock — snowmobiles~~ General assessment  
16 day. (1) The department of revenue or its agent must,  
17 between ~~the first day of~~ January 1 and the second Monday of  
18 July in each year, ascertain the names of all taxable  
19 inhabitants, and assess all property in each county subject  
20 to taxation, ~~except such as is required to be assessed by~~  
21 ~~the state department of revenue, and~~ The department or its  
22 agent must assess ~~each~~ property to the ~~persons~~ person by  
23 whom it was owned or claimed, or in whose possession or  
24 control it was at 12 midnight of ~~the first day of~~ January 1  
25 next preceding. It must also ascertain and assess all

1 mobile homes arriving in the county after 12 midnight of the  
2 first day of January 1 next preceding.

3 (2) The procedure provided by this section shall may  
4 not apply to:

5 (a) ~~Motor~~ motor vehicles ~~which that~~ are required by  
6 ~~subdivision (2) hereof~~ subsection (4) to be assessed ~~as of~~  
7 ~~the first day of~~ on January 1, or upon their anniversary  
8 registration date, ~~but no~~ no mistake in the name of the  
9 owner or supposed owner of real property, ~~however,~~ renders  
10 the assessment thereof invalid.

11 (b) livestock ~~livestock~~ which are required by  
12 ~~subdivision (3)~~ subsection (6) of this section to be  
13 assessed on an average inventory basis in each county;  
14 ~~Credits must be assessed as provided in section 84-101,~~  
15 ~~subdivision 6.~~

16 (c) ~~Property~~ PROPERTY defined in ~~section~~ 53-642 as  
17 "special mobile equipment" ~~which that~~ is subject to  
18 assessment ~~of~~ for personal property taxes on the date that  
19 application is made for a special mobile equipment plate;

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

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

24 ~~(f) (g) Snowmobiles which snowmobiles that~~ are required  
25 by ~~subdivision 5 hereof~~ subsection (8) to be assessed as of

1 ~~the first day of~~ July 1.

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

4 ~~(2) (4)~~ The department or its agent must ascertain and  
5 assess all motor vehicles, except mobile homes, in each  
6 county subject to taxation as of January 1, or as of the  
7 anniversary registration date of those vehicles subject to  
8 ~~sections~~ 53-154 through 53-162, in each year, ~~and the same~~  
9 The motor vehicles shall be assessed to the persons by whom  
10 owned or claimed, or in whose possession or control ~~such~~  
11 ~~vehicle was they were~~ at 12 midnight of ~~the first day of~~  
12 January 1 or the anniversary registration date thereof,  
13 whichever is applicable, in each year. ~~Provided that such no~~  
14 ~~tax shall not may~~ be assessed against motor vehicles ~~which~~  
15 that constitute inventory of motor vehicle dealers as of  
16 January 1, ~~but said~~ These vehicles, and all other motor  
17 vehicles brought into the state subsequent to January 1, as  
18 motor vehicle ~~dealer's~~ dealers' inventory, inventories shall  
19 be assessed to their respective purchasers as of the dates  
20 ~~said the~~ vehicles are registered by ~~said the~~ purchasers, ~~and~~  
21 ~~and purchasers means and~~ "Purchasers" includes dealers who  
22 apply for registration or ~~re-registration~~ re-registration of  
23 motor vehicles, except as otherwise provided by ~~section~~  
24 32-3315. Goods, wares, and merchandise of motor vehicle  
25 dealers, other than new motor vehicles and new mobile homes,

1 shall be assessed at ~~full and true~~ market value as of the  
2 ~~first day of~~ January 1.

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

13 ~~(3)(6)~~ The assessed value of livestock in each county  
14 on the assessment date ~~shall be~~ is computed by adding the  
15 assessed value of all livestock more than ~~nine (9)~~ months of  
16 age owned by the taxpayer in each county on the last day of  
17 each month since the last assessment date and dividing the  
18 sum by ~~twelve (12)~~. For purposes of this ~~subdivision~~  
19 subsection, "livestock" means cattle, sheep, horses, and  
20 mules.

21 ~~(4)(7)~~ The department of revenue or its agent must  
22 ~~ascertain and~~ assess all campers in each county subject to  
23 taxation as of January 1 in each year<sub>2</sub> ~~and the same~~ The  
24 campers shall be assessed to the persons including dealers  
25 by whom owned or claimed, or in whose possession or control

1 ~~each camper was, including dealers, they were~~ at 12 midnight  
2 of the ~~first day of~~ January 1 in each year.

3 ~~(5)(8)~~ The department of revenue or its agent must  
4 ~~ascertain and~~ assess all snowmobiles in each county subject  
5 to taxation as of July 1 in each year<sub>2</sub> ~~and the same~~ a  
6 snowmobile shall be assessed to the ~~persons~~ person by whom  
7 owned or claimed, or in whose possession or control ~~each~~  
8 snowmobile ~~it was~~ at 12 midnight ~~on the first day of~~ July 1  
9 in each year<sub>2</sub> ~~provided, however, that~~ except snowmobiles  
10 ~~which constitute in the~~ inventory of snowmobile dealers  
11 which shall be assessed to the dealers as of 12 midnight of  
12 ~~the first day of~~ January 1 in each year<sub>2</sub> ~~and further~~  
13 ~~provided that all snowmobiles that have been assessed and~~  
14 ~~for which taxes have been paid for the period of January 1,~~  
15 ~~1975 through December 31, 1975, shall be assessed for only~~  
16 ~~six (6) months during the period July 1, 1975 through June~~  
17 ~~30, 1976."~~

18 Section 47. Section 84-602, R.C.M. 1947, is amended to  
19 read as follows:

20 "84-602. Equalization of assessments. ~~The department~~  
21 ~~of revenue has power after~~ After giving notice, in writing,  
22 to ~~the~~ a taxpayer, by registered or certified mail,  
23 addressed to him at his last known place of residence, of  
24 its intention, ~~to the department of revenue may~~ increase or  
25 lower ~~his~~ the taxpayer's assessment contained in the

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

21 Section 48. Section 84-708.1, R.C.M. 1947, is amended  
 22 to read as follows:

23 "84-708.1. Powers and duties of the ~~state~~ department  
 24 of revenue. (1) The department of revenue shall annually  
 25 assess the franchise, roadway, roadbeds, rails, and rolling

1 stock, and all other property of all railroads, ~~and~~ the  
 2 pole lines and ~~rights-of-way~~ rights-of-way and all other  
 3 property of all telegraph and telephone lines, electric  
 4 power and transmission lines, ditches, canals, and flumes, ~~;~~  
 5 and other similar property, constituting a single and  
 6 continuous property operated in more than one (1) county in  
 7 the state, or more than one (1) state. To apportion ~~such the~~  
 8 assessments to the counties in which ~~such the~~ properties are  
 9 located on a mileage basis, or if the property of any  
 10 company assessable under this section is of such a character  
 11 that its value cannot reasonably be apportioned on the basis  
 12 of mileage, the department may adopt ~~such any~~ other method  
 13 or basis of apportionment to the county or counties in which  
 14 the property is situated as may be just and proper.

15 (2) All The department may not consider the following  
 16 property as part of any single or continuous property: lots  
 17 and parcels of real estate not included in ~~right-of-way~~  
 18 right-of-way, with the buildings, structures, and  
 19 improvements thereon, ~~;~~ dams and power houses, depots,  
 20 stations, shops, and other buildings, erected upon ~~right-of~~  
 21 way, right-of-way; and furniture, machinery, and other  
 22 personal property, ~~shall not be considered as a part of any~~  
 23 ~~such single and continuous property, but shall be considered~~  
 24 ~~as separate and distinct therefrom, and shall be The~~  
 25 property is considered separate and distinct and is assessed

1 by the agent of the department of revenue in the county  
2 ~~wherein they are situate~~ where it is situated.

3 ~~(2)(3)~~ To The department shall transmit to the county  
4 clerk of each county its apportionment of all assessments  
5 made by the department.

6 ~~(3)(4)~~ To The department shall adjust and equalize the  
7 valuation of taxable property among the several counties,  
8 and the different classes of taxable property in any county  
9 and in the several counties and between individual  
10 taxpayers; supervise and review the acts of agents of the  
11 department; change, increase, or decrease valuations made by  
12 its agents; and exercise such authority and do all things  
13 necessary to secure a fair, just, and equitable valuation of  
14 all taxable property among counties between the different  
15 classes of property and between individual taxpayers.

16 ~~(4)(5)~~ ~~To have and~~ The department shall exercise  
17 general supervision over the administration of the  
18 assessment and tax laws of the state, and over its agents  
19 and any officers of municipal corporations, having any  
20 duties to perform under any of the laws of this state  
21 relating to taxation to the end that all assessments of  
22 property be made relatively just and equal at ~~the~~ a value  
23 in substantial compliance with law, and ~~to~~ supervise the  
24 administration of all revenue laws of the state and assist  
25 in their enforcement. ~~Further, the state~~ The department of

1 revenue ~~is empowered to organize, and it shall be its duty~~  
2 ~~to~~ schedule and hold area schools within the state for  
3 appraisers and assessors as often as ~~is deemed it considers~~  
4 necessary, ~~in the judgment of the department and the~~ The  
5 costs of such appraisers and assessors attending shall be  
6 borne by the state. ~~Further, the department shall determine~~  
7 ~~if there is a need for a taxing, assessing, and appraising~~  
8 ~~school, and such school shall be held, when deemed~~  
9 ~~necessary.~~ The department shall notify all assessors and  
10 appraisers at least ~~six~~ ~~(6)~~ months before such school is  
11 scheduled, ~~and it shall be the duty of all~~ All assessors and  
12 appraisers ~~to shall~~ attend ~~and the cost of their attendance~~  
13 ~~shall be borne by the state.~~

14 ~~(5)(6)~~ To The department may confer with, advise, and  
15 direct officers of municipal corporations as to their  
16 duties, with respect to taxation, under the statutes of the  
17 state.

18 ~~(6)(7)~~ To The department shall direct proceedings,  
19 actions, and prosecutions to be instituted to enforce the  
20 laws relating to the penalties, liabilities, and punishment  
21 of public officials and persons, or their agents, for  
22 failure or neglect to comply with the provisions of the  
23 statutes governing the revenue of the state or municipal  
24 corporations, ~~and to~~ The department shall cause complaints  
25 to be made against assessors and other public officers to

1 the proper district court for their removal from office for  
2 official misconduct or neglect of duty.

3 ~~(7)(8)~~ The department shall require county  
4 attorneys to assist in the commencement and prosecution of  
5 actions and proceedings for penalties, forfeitures,  
6 removals, and punishment for violations of the laws of the  
7 state in respect to the assessment of property and other  
8 revenue laws, in their respective counties.

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

23 ~~(9)(10)~~ The department may, in its discretion, to  
24 inspect and examine, or cause an inspection and examination  
25 of the records of the officers of any municipality, whenever

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

24 ~~(10)(11)~~ The department may require persons, as  
25 defined above, to furnish information concerning their



1 capital, funded or other debt, current assets and  
 2 liabilities, cost and value of property, earnings, operating  
 3 and other expenses, taxes, and all other facts which may  
 4 enable the department to ascertain the value of the relative  
 5 burdens borne by all kinds of property and occupations in  
 6 the state.

7 ~~(11)~~ (12) ~~To~~ The department may summon witnesses to  
 8 appear and give evidence, and to produce records, books,  
 9 papers, and documents relating to any matter which the  
 10 department ~~shall have~~ has authority to investigate and  
 11 determine.

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

19 ~~(13)~~ (14) ~~To~~ The department may examine ~~into~~ all cases  
 20 where evasion or violation of the laws for taxation of  
 21 property, proceeds, occupation, or business is alleged,  
 22 complained of, or discovered, and ~~to~~ ascertain wherein  
 23 existing laws are ineffective or are improperly or  
 24 negligently administered.

25 ~~(14)~~ (15) ~~To~~ The department may investigate the tax

1 systems of other states and countries and ~~to~~ formulate and  
 2 recommend legislation for the better administration of the  
 3 fiscal laws so as to secure just and equal taxation and  
 4 improvement in the system of taxation and the economical  
 5 expenditure of public revenue in the state.

6 ~~(15)~~ (16) ~~To~~ The department may consult and confer with  
 7 the governor of the state upon the subject of taxation, the  
 8 administration of the laws relating thereto, and the  
 9 progress of the work of the department, and ~~to~~ furnish the  
 10 governor such assistance as he may require.

11 ~~(16)~~ (17) ~~To~~ The department shall transmit to the  
 12 governor and to each member of the legislature ~~twenty~~ (20)  
 13 days before the meeting of the legislature, a report of the  
 14 department, showing all the taxable property of the state  
 15 and the its value ~~of the same~~ in tabulated form, with  
 16 recommendations for improvements in the system of taxation,  
 17 together with ~~such~~ measures as may be formulated for the  
 18 consideration of the legislature, ~~and to~~ The department may  
 19 include ~~therein~~ a report showing the selling price of  
 20 gasoline at the wholesale level in prime market centers of  
 21 Montana and in surrounding states during the biennium, with  
 22 indexes tabulated at sufficient intervals to show the  
 23 comparative state price structures.

24 ~~(17)~~ (18) In its discretion, ~~to~~ the department may waive  
 25 the assessment of penalty for the late filing of any tax

1 statement or return required to be filed with the department  
2 when the filing is done within ~~five~~(5) days of the date  
3 specified for filing the return or statement, and ~~for~~ the  
4 late payment of any tax collected by the department when the  
5 payment is made within ~~five~~(5) days of the date specified  
6 for payment of the tax.

7 ~~(18)~~(19) In its discretion, the department may ~~to~~ enter  
8 into reciprocal agreements with the taxing authorities of  
9 states contiguous to the state of Montana which tax the  
10 income of Montana residents earned in that state to provide  
11 that the tax imposed by Title 84, chapter 49, ~~R.C.M. 1947,~~  
12 on income derived by persons who are nonresidents of this  
13 state ~~shall need~~ not be ~~payable~~ paid when such other state  
14 or states agree to grant similar treatment to residents of  
15 Montana."

16 Section 49. Section 84-728, R.C.M. 1947, is amended to  
17 read as follows:

18 "84-728. Valuation of interstate fleets —  
19 determination of aggregate tax due. The ~~state~~ department of  
20 revenue shall assess any interstate motor vehicle fleet  
21 making application for proportional registration as follows:

22 ~~(1)~~(1) The purchase price depreciated by a schedule as  
23 prescribed by the department shall determine the depreciated  
24 value.

25 ~~(2)~~(2) The depreciated value multiplied by the ~~per~~

1 ~~cent percent~~ of miles traveled in Montana as prescribed by  
2 ~~section~~ 53-712 shall be the assessed value.

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

6 ~~(4)~~(4) To determine the amount of tax due, the taxable  
7 value of the entire fleet shall be multiplied by the  
8 ~~state-wide~~ statewide average county mill levy plus state  
9 levies as hereinafter provided."

10 Section 50. Section 84-4605, R.C.M. 1947, is amended  
11 to read as follows:

12 "84-4605. Taxation of banks and shares of stock in.  
13 (1) Every state bank or banking corporation located and  
14 doing business in this state, and every private banker doing  
15 business in this state, shall be ~~taxable~~ taxed upon the  
16 value of all real estate and personal property owned by ~~such~~  
17 the bank, banking corporation, or private banker, ~~and also~~  
18 upon the moneyed capital employed in ~~each~~ the business, ~~such~~  
19 and upon the moneyed capital to be ascertained as provided  
20 by ~~section 84-301~~84-301, 7, ~~and the~~ The cashier or secretary  
21 of every ~~such~~ bank or banking corporation, and every ~~such~~  
22 private banker, shall furnish to the department of revenue  
23 or its agent in the county in which its or his bank is  
24 located, within ~~five~~ 5 days after demand therefor, a  
25 statement verified by his oath, showing all the resources

1 and liabilities of ~~each~~ the bank as disclosed by its books,  
 2 at the close of business on December 31 of the preceding  
 3 year, ~~if each~~ If the cashier, secretary, or private banker  
 4 ~~shall fail fails~~ to make the statement, ~~heroby required,~~ the  
 5 department or its agent shall forthwith obtain ~~each~~ the  
 6 information from any other available source, and for this  
 7 purpose shall have access to the books of ~~each~~ the bank,  
 8 banking corporation, or private banker. The department or  
 9 its agent shall thereupon make an assessment of the real  
 10 estate and personal property owned by ~~each~~ the bank, banking  
 11 corporation, or private banker, and of the moneyed capital  
 12 employed in the business of ~~each~~ the bank, banking  
 13 corporation, or private banker, ~~which~~ the assessment shall  
 14 be as fair and equitable as can be made from the best  
 15 information available, ~~or, for~~ For the purpose of said the  
 16 assessment, the figures disclosed by any prior report made  
 17 by ~~each~~ the bank, banking corporation, or private banker to  
 18 any state or federal officer pursuant to any state or  
 19 federal law may be adopted. Any person required by this  
 20 section to make the statement hereinabove provided, who  
 21 ~~shall fail fails~~ to furnish ~~the same,~~ it shall be guilty of  
 22 a misdemeanor and ~~shall be~~ punished accordingly.

23 (2) All shares of stock in any ~~each~~ bank or banking  
 24 corporation shall be assessed at their full cash value,  
 25 except to the extent that that value is represented in

1 property which is assessable and taxable to ~~each~~ the bank or  
 2 banking corporation in this state, and shall be taxable to  
 3 the owners of ~~each~~ the shares in the county, school  
 4 district, city, town, or place where ~~each~~ the bank or  
 5 banking corporation is located ~~and not elsewhere,~~ whether ~~or~~  
 6 ~~not~~ the owners of ~~each~~ the shares are residents of such  
 7 county, school district, city, town, or place.

8 (3) The cashier or secretary of any ~~each~~ bank or  
 9 banking corporation shall furnish to the department or its  
 10 agent, upon demand, the name of each stockholder with his  
 11 residence and the number of shares belonging to him at the  
 12 close of business on December 31 of the preceding year, ~~and~~  
 13 ~~if each~~ If the cashier or secretary, for more than five 5  
 14 days after ~~each~~ the demand, ~~shall fail fails~~ to furnish such  
 15 information, he ~~shall be~~ is guilty of a misdemeanor and the  
 16 department or its agent may obtain ~~each~~ information from any  
 17 other available source, ~~and for such purposes shall have~~  
 18 ~~access to or from~~ the books of ~~each~~ the bank or banking  
 19 corporation. For convenience, the assessment of ~~each~~ the  
 20 shares shall be entered on the personal property assessment  
 21 list under the name of the bank or banking corporation  
 22 concerned, but in the assessment list the names of the  
 23 owners of such shares shall be set forth and the number of  
 24 shares owned by each, ~~and each~~ in assessment, when so  
 25 entered, ~~shall have~~ has all the force and effect as if made

1 in the names of the owners of ~~such~~ the shares individually.  
 2 The bank or banking corporation in which ~~such~~ the shares are  
 3 owned ~~shall be~~ is liable for the payment of taxes assessed  
 4 against ~~such~~ the shares, and ~~such~~ the taxes ~~shall be~~ are  
 5 payable by and ~~may be~~ collected from ~~such~~ the bank or  
 6 banking corporation in the same manner and under the same  
 7 penalties as other taxes, ~~provided that such~~ The bank or  
 8 banking corporation may recover from ~~such~~ the owners of  
 9 shares any taxes ~~so~~ paid on ~~such~~ the shares, and ~~shall have~~  
 10 has a lien therefor upon ~~such~~ the shares and upon any  
 11 dividends accrued or to accrue thereon."

12 Section 51. Section 84-4701, R.C.M. 1947, is amended  
 13 to read as follows:

14 "84-4701. Limitation on amount of tax for municipal  
 15 purposes -- distribution of funds -- levy for ~~park~~ parks,  
 16 swimming pools, playgrounds, youth centers, and other  
 17 purposes. The amount of taxes to be ~~assessed and~~ levied for  
 18 general municipal or administrative purposes in cities and  
 19 towns ~~and~~ may not exceed ~~two and four tenths (2.4%) per~~  
 20 ~~centum or the per centum~~ 2.4% of the ~~assessed~~ taxable value  
 21 of the ~~taxable~~ property of the city or town, subject to  
 22 taxation, and ~~the~~ The council or commission in each city or  
 23 town may distribute the money collected into ~~such~~ the funds  
 24 ~~as are~~ prescribed by ordinance, ~~provided, that for~~ For the  
 25 purpose of procuring, equipping, and maintaining public

1 parks, swimming pools, skating rinks, playgrounds, civic  
 2 centers, youth centers, museums, and combinations thereof,  
 3 the council or commission in any city or town may ~~assess and~~  
 4 levy, in addition to the ~~said~~ levy for general municipal or  
 5 administrative purposes, an amount not exceeding ~~seven (7)~~  
 6 mills on the dollar on the ~~per centum of the assessed~~  
 7 taxable value of the ~~taxable~~ property to be taxed of the  
 8 city or town."

9 Section 52. Section 84-4701.2, R.C.M. 1947, is amended  
 10 to read as follows:

11 "84-4701.2. Maximum rate of all-purpose levy.  
 12 ~~Notwithstanding the provisions of the statutes of Montana to~~  
 13 ~~the contrary (1) Except as provided elsewhere,~~ the cities  
 14 and towns of the state of Montana may make an all-purpose  
 15 annual levy upon the ~~assessed~~ taxable value of all the  
 16 ~~taxable~~ property in ~~such~~ the cities and towns, subject to  
 17 taxation for municipal purposes in lieu of the multiple  
 18 levies now authorized by statute. The total of ~~such~~ the  
 19 all-purpose levy shall ~~may~~ not exceed ~~sixty-five (65)~~  
 20 on the dollar, ~~which~~ This levy shall ~~may~~ not include any  
 21 levies necessary for bonded indebtedness, judgments, or  
 22 special improvement district revolving ~~fund~~ of  
 23 municipalities, which levies may be made in addition to  
 24 all-purpose levy as provided in sections 84-4701.1 and  
 25 84-4701.6. The moneys received from ~~such~~ the all-purpose

1 levy shall be accounted for in a common fund known as the  
2 all-purpose general fund.

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

12 (3) The moneys held in the capital improvement program  
13 fund shall, whenever possible, be invested in savings or  
14 time deposits in a state or national bank insured by the  
15 federal deposit insurance corporation or in direct  
16 obligations of the United States government and credited  
17 back to the fund plus interest earned."

18 Section 53. Section 84-4713, R.C.M. 1947, is amended  
19 to read as follows:

20 "84-4713. Taxes in cities and towns ~~which that~~ have  
21 exceeded the statutory limit of indebtedness. All taxes  
22 ~~heretofore~~ levied and collected, or to be collected for  
23 municipal and administrative purposes by any city or town,  
24 in which the indebtedness ~~of which~~ equals or exceeds the  
25 limit ~~provided~~ allowed in statute, may be used in payment of

1 current expenses during the fiscal year for which ~~said the~~  
2 taxes were levied, ~~the same as though if~~ a special levy had  
3 been made for each of ~~said the~~ purposes. ~~and the The~~ council  
4 of any such city or town ~~is hereby authorized to may~~  
5 designate the amount of ~~said the~~ general levy applicable to  
6 each of ~~said the~~ purposes, ~~and the The~~ amount so designated  
7 ~~shall constitute~~ constitutes a special fund for the special  
8 purpose of paying the expenses incurred for ~~each the~~  
9 purpose, ~~and such The~~ expenses shall be payable out of ~~such~~  
10 ~~the~~ fund and not otherwise, ~~provided, that However,~~ the  
11 aggregate of all taxes authorized for general municipal and  
12 administrative purposes ~~shall may~~ not exceed ~~one and~~  
13 ~~one-half per cent~~ 5 1/2% annually ~~upon of~~ the ~~per centum of~~  
14 ~~the assessed~~ taxable value of all taxable property subject  
15 to taxation in such city or town."

16 Section 54. Section 84-5103, R.C.M. 1947, is amended  
17 to read as follows:

18 "84-5103. Taxation of credits of insurance companies  
19 — other property. All property other than credits of  
20 insurance companies required by law to have and maintain a  
21 legal reserve for the protection of policyholders shall be  
22 assessed, classified, and taxed as other property of like  
23 character. Credits, including evidence of indebtedness  
24 secured by mortgages, less legal reserves for the protection  
25 of policyholders and other indebtedness, shall be classified

1 and taxed on the basis of ~~thirty per centum~~ (30%) of full  
2 ~~cash market~~ value as thus ascertained."

3 Section 55. Section 84-5211, R.C.M. 1987, is amended  
4 to read as follows:

5 "84-5211. Limitation of levies -- livestock moneys.  
6 The amount of ~~such the~~ levy shall may not in any event  
7 exceed ~~two~~ (2) mills upon the ~~assessed valuation taxable~~  
8 value of sheep and ~~three~~ (3) mills upon the ~~assessed~~  
9 valuation taxable value of other livestock, ~~which shall be~~  
10 levied The levy is raised to aid in the payment of the  
11 general ~~expense~~ expenses of the brands-enforcement functions  
12 of the department of livestock, including salaries, office  
13 ~~expense, detective expense, expense of prosecution, travel,~~  
14 and all incidental ~~expense, expenses,~~ and a separate levy  
15 of not exceeding to exceed three (3) mills on all livestock  
16 may be raised for the use of the animal health functions of  
17 the department of livestock ~~to be and~~ placed in ~~the an~~  
18 earmarked revenue fund for the payment of indemnity for  
19 animals slaughtered, ~~and~~ for salaries and expenses incurred  
20 in investigating, controlling, and suppressing diseases,  
21 including expenses of quarantine and salaries and expenses  
22 incurred for such purposes, and for laboratory maintenance, and  
23 ~~provided further that~~ At the written request of the  
24 department of livestock the state treasurer and state  
25 controller, ~~at the written request of the department of~~

1 ~~livestock~~ shall set aside in a separate account in the  
2 earmarked revenue fund ~~such any~~ moneys as may be available  
3 and requested, ~~which The~~ moneys shall may be expended only  
4 when the department of livestock determines that a livestock  
5 disease emergency exists requiring its expenditure, ~~and they~~  
6 ~~shall then be expended~~ for such purposes as the department  
7 of livestock may order and direct."

8 Section 56. Section 84-5214, R.C.M. 1987, is amended  
9 to read as follows:

10 "84-5214. Levy for bounty moneys -- use of proceeds.  
11 The department of revenue shall, annually ~~prescribe, make~~  
12 ~~and~~ levy an ad valorem tax on all livestock in the state of  
13 Montana for the purpose of protecting ~~such livestock them~~  
14 against destruction, depredation, and injury by wild  
15 animals, whether the livestock is on lands in private  
16 ownership, in the ownership of the state, or in the  
17 ownership of the United States, including open ranges and  
18 all lands in or of the public domain. This protection may be  
19 by ~~all any~~ means of effective predatory animal destruction,  
20 extermination, and control, including systematic hunting,  
21 and trapping ~~in planned campaigns, or otherwise,~~ and payment  
22 of bounties, ~~against destruction, depredation and injury by~~  
23 ~~wild animals, whether on lands in private ownership, in the~~  
24 ~~ownership of the state, or in the ownership of the United~~  
25 ~~States, including open ranges and all lands in or of the~~

1 public domain. The tax levy shall ~~may~~ not exceed in any one  
 2 ~~(1) year (a) one and one-half (1 1/2) mills on the assessed~~  
 3 ~~valuation taxable value~~ of all sheep, and ~~(b) one (1) mill~~  
 4 on the ~~assessed valuation taxable value~~ of other livestock.  
 5 The moneys received from ~~such the~~ tax levies shall be  
 6 transmitted monthly with other taxes for state purposes, by  
 7 the county treasurer of each county, to the state treasury,  
 8 ~~and be by the The~~ state treasurer ~~placed in and to the~~  
 9 ~~credit of the shall place the money in an~~ earmarked revenue  
 10 fund ~~{with the other moneys in that fund under the~~  
 11 ~~provisions of section as provided in 46-1901}, and ~~such The~~~~

12 moneys shall thereafter be paid out only on claims duly and  
 13 regularly presented to the department of livestock, and  
 14 ~~thereafter~~ approved by ~~said the~~ department, in accordance  
 15 with the law applicable either to claims for bounties, ~~when~~  
 16 ~~such claims are approved,~~ or ~~to claims~~ for other  
 17 expenditures necessary and proper for predatory animal  
 18 control by ~~other~~ means and methods ~~other~~ than payment of  
 19 bounties, as ~~may be~~ determined by the department of  
 20 livestock. All ~~such the~~ moneys shall be available for the  
 21 payment of bounty claims and for expenditures ~~in and~~ for  
 22 planned, seasonal, or other campaigns directed, or operated  
 23 by the department in cooperation with other agencies, for  
 24 the systematic destruction, extermination, and control of  
 25 predatory wild animals, as ~~may be~~ determined by the

1 department and ~~the its~~ advisory committee ~~thereto~~. No claims  
 2 shall ~~may~~ be approved in excess of moneys available for such  
 3 purposes, and no warrants shall ~~may~~ be registered against  
 4 ~~such the~~ moneys."

5 Section 57. Section 84-5216, R.C.M. 1947, is amended  
 6 to read as follows:

7 "84-5216. Tax levy for bounties on predatory animals.  
 8 Whenever the owners, ~~or agent,~~ or agents of ~~such the~~ owners,  
 9 representing ~~fifty-one per cent 51%~~ of the livestock of any  
 10 county in this state shall present a petition to the board  
 11 of county commissioners of such county, asking for the levy  
 12 of a tax upon the livestock of ~~such the~~ county for the  
 13 purpose of paying bounties on predatory animals killed in  
 14 ~~such the~~ county, it shall ~~be is~~ the duty of ~~such the~~ board  
 15 of county commissioners to make ~~such the~~ levy, which shall  
 16 ~~may~~ not exceed ~~ten 10~~ mills on the dollar ~~on~~ of the assessed  
 17 ~~valuation taxable value~~ of all livestock in ~~such the~~  
 18 county, ~~which The~~ tax shall be assessed and collected in  
 19 the same manner as all other state and county taxes."

20 Section 58. Section 84-5406, R.C.M. 1947, is amended  
 21 to read as follows:

22 "84-5406. Assessment of royalties. Upon receipt of the  
 23 list or schedule setting forth the names and addresses of  
 24 any and all persons, corporations, and associations owning  
 25 or claiming royalty, and the amount ~~or amounts~~ paid or

1 yielded as royalty to ~~such~~ the royalty owners or claimants  
 2 during the year for which ~~such~~ the return is made, the state  
 3 department of revenue shall proceed to ~~the assessment of all~~  
 4 ~~such assess and tax the~~ royalties, and ~~shall assess the same~~  
 5 ~~at the full cash value of the money or product yielded~~  
 6 ~~during such preceding calendar year, and the same shall be~~  
 7 ~~taxed~~ on the same basis as net proceeds of mines are taxed  
 8 as provided by ~~section 84-301~~ 84-301.12."

9 Section 59. Section 84-6008, R.C.M. 1947, is amended  
 10 to read as follows:

11 "84-6008. Assessment of personal property brought into  
 12 the state -- exceptions. (1) Property in the following cases  
 13 is subject to taxation and assessment for all taxes levied  
 14 that year in the county in which it is located:

15 (a) Any any personal property, including livestock,  
 16 brought, driven, or coming into this state at any time  
 17 during the year ~~which~~ that is used in the state for hire,  
 18 compensation, or profit;

19 (b) or if the property whose owner and/or the user of  
 20 ~~the property~~ is engaged in gainful occupation or business  
 21 enterprise in the state; or

22 (c) the property otherwise which comes to rest and  
 23 becomes a part of the general property of the state, shall  
 24 ~~be subject to taxation and shall be assessed for all taxes,~~  
 25 ~~levied or leviable for that year in the county in which the~~

1 ~~same shall thus be,~~

2 (2) The taxes on this property are levied in the same  
 3 manner and to the same extent, except as ~~hereinafter~~  
 4 otherwise provided, as though ~~such~~ the property had been in  
 5 the county on the regular assessment date, provided that  
 6 ~~such~~ the property has not been regularly assessed for the  
 7 year in some other county of the state.

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

16 ~~(4) provided further that this act~~ This section shall  
 17 not apply to motor vehicles brought, driven, or coming into  
 18 this state by any nonresident, migratory, bona fide  
 19 agricultural workers temporarily employed in agricultural  
 20 work in Montana ~~where said~~ if the motor vehicles are used  
 21 exclusively for transportation of agricultural workers.

22 (5) Agricultural harvesting machinery classified under  
 23 ~~Class 2 class two, section 84-301, R.C.M. 1947,~~ licensed in  
 24 other states, and operated on the lands of persons other  
 25 than the owner of the machinery, under contracts for hire



1 shall be subject to a fee, in lieu of taxation, of  
 2 ~~thirty-five dollars (\$35)~~ per machine for a ~~sixty (60)~~-day  
 3 period. ~~Such~~ The machines shall be subject to taxation under  
 4 ~~Class 2~~ class two only if they are sold in Montana."

5 Section 60. Section 84-6102, R.C.S. 1947, is amended  
 6 to read as follows:

7 "84-6102. United States property held under contract  
 8 of sale ~~assessment at full value~~. When ~~such the~~ property  
 9 is held under a contract of sale or other agreement whereby  
 10 ~~on certain~~ upon payment ~~or payments~~ the legal title is or  
 11 may be acquired by ~~such the~~ person, corporation, or  
 12 association, ~~such the~~ real property shall be assessed and  
 13 taxed as ~~for the full value thereof defined in 84-301.5,~~  
 14 84-301.6, 84-301.8, 84-301.9, 84-301.11, 84-301.15, or  
 15 84-401 without deduction on account of the whole or any part  
 16 of the purchase price or other sum due on ~~such the~~ property  
 17 remaining unpaid, ~~provided, that the~~ The lien for ~~such the~~  
 18 tax ~~shall neither may not~~ attach to, impair, ~~nor or~~ be  
 19 enforced against any interest of the United States in ~~such~~  
 20 the real property."

21 Section 61. Section 84-6103, R.C.M. 1947, is amended  
 22 to read as follows:

23 "84-6103. United States property held under lease —  
 24 assessment at value of leasehold. When ~~such the~~ property is  
 25 held under lease, ~~or~~ other interest, or estate therein less

1 than the fee, except under contract of sale, ~~such the~~  
 2 property shall be assessed and taxed as for the ~~true cash~~  
 3 value as defined in 84-301.2 through 84-301.15 and 84-401 of  
 4 such leasehold, interest, or estate in ~~such the~~ property and  
 5 the lien for ~~such the~~ tax shall attach to and be enforced  
 6 against only the leasehold, interest, or estate in ~~such the~~  
 7 property, ~~provided, that where~~ when the United States  
 8 authorizes the taxation of ~~such the~~ property for the full  
 9 assessed value of the fee thereof, ~~such the~~ property shall  
 10 be assessed for ~~such~~ full assessed value, as defined in  
 11 84-401."

12 Section 62. Section 84-6205, R.C.M. 1947, is amended  
 13 to read as follows:

14 "84-6205. Assessment of royalties. The amount of  
 15 royalty received shall be considered net proceeds to the  
 16 recipient and shall be assessed as follows: Upon upon  
 17 receipt of the lists or schedules setting forth the names  
 18 and addresses of any and all persons owning or claiming  
 19 royalty, and the amount ~~or amounts~~ paid or yielded as  
 20 royalty to such royalty owners or claimants during the year  
 21 for which such return is made, the state department of  
 22 revenue shall proceed to ~~the assessment of all such~~  
 23 ~~royalties, and shall assess and tax~~ the same ~~at the full~~  
 24 ~~cash value of the money or product yielded or accrued during~~  
 25 ~~such preceding calendar year, and the same shall be taxed as~~

1 net proceeds of mines."

2 Section 63. Section 84-6407, R.C.M. 1947, is amended  
3 to read as follows:

4 "84-6407. Transmission of statement of amount  
5 apportioned to counties. On or before the second Monday in  
6 July, the department shall apportion ~~such~~ the assessment to  
7 the counties in or through which the airline operates. The  
8 county assessor must enter the amount of the assessment  
9 apportioned to the county in the column of the assessment  
10 roll or book which shows the total value of all property for  
11 taxation in the county. The assessment shall be assigned to  
12 class 7 seven ~~having a taxable value of forty per cent (40%)~~  
13 ~~of assessed value.~~"

14 Section 64. Section 84-7403, R.C.M. 1947, is amended  
15 to read as follows:

16 "84-7403. Tax treatment of certain energy-related  
17 investments. (1) Upon application by a taxpayer, approved  
18 under ~~section~~ 84-7404, a capital investment by the taxpayer  
19 in a recognized nonfossil form of energy generation shall be  
20 treated by the department of revenue as:

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

24 (b) class seven property, as defined in ~~sections~~  
25 ~~84-301 and 84-302, 84-301.8 for such portion of the~~

1 ~~appraised assessed~~ value of the investment that exceeds ~~one~~  
2 ~~hundred thousand dollars (\$100,000).~~

3 (2) Upon application by a taxpayer, approved under  
4 ~~section~~ 84-7404, a capital investment in a building by the  
5 taxpayer for an energy conservation purpose shall be treated  
6 by the department of revenue as class eight property, as  
7 defined in ~~sections 84-301 and 84-302~~ 84-301.9, to the  
8 extent the appraised assessed value of the investment does  
9 not exceed ~~twenty percent (20%)~~ of the appraised assessed  
10 value of the building in which the investment is made."

11 Section 65. Section 84-7513, R.C.M. 1947, is amended  
12 to read as follows:

13 "84-7513. Valuation of commercial land. After  
14 classification as commercial, land, whether occupied or not,  
15 ~~shall~~ may not change in value for tax purposes unless it  
16 meets or is governed by the following provisions:

17 (1) Class A -- open undeveloped land. Open  
18 undeveloped land within the boundaries ~~set as of designated~~  
19 commercial land which has value and is not designated for  
20 usage as a parking area or park, and developed as such  
21 within ~~two (2)~~ years from the effective date of this act,  
22 shall be subject to taxation in the following method (after  
23 the ~~two (2)~~-year grace period):  
24 1st year taxation -- 1% over valuation existing at the  
25 beginning of the ~~said two (2)~~ years;

1 2nd year taxation — +2% over the previous year's valuation;  
 2 3rd year taxation — +10% over the previous year's valuation;  
 3 3-5 years taxation — +20% over the previous year's valuation;  
 4 over ~~five~~ 5 years — +30% over the previous year's valuation.

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

16 (3) Class C — existing improved land. Existing  
 17 structures and buildings shall be frozen in their existing  
 18 tax base for a period of ~~ten~~ (10) years, unless remodeled,  
 19 where section 12(1) (a) shall apply. If not remodeled after  
 20 ~~ten~~ (10) years, the following shall apply:

21 Age of structure	Tax increase according			
22 in years	to the years since remodeled last			
23	1-5 years	5-10 years	10-15 years	15 years
24				and over
25	10-12	1%	2%	4%
				5%

1	12-15	2%	4%	6%	8%
2	15-20	4%	8%	12%	16%
3	21-25	10%	12%	16%	18%
4	26-30	15%	18%	20%	24%
5	31-40	25%	28%	30%	35%
6	40-50	40%	45%	50%	60%
7	50-Over	50%	60%	75%	100%

8 (4) Class D — new improved land.

9 (a) The construction cost and land cost of any  
 10 commercial development within a classified commercial or  
 11 residential area shall may not be taxed for its construction  
 12 period.

13 (b) Following the nontaxable period the total cost of  
 14 land and improvements developed as new commercial property  
 15 shall be taxed as follows:

16 Commercial land location	Taxable schedule
17 (i) Land within and	Improvements shall be
18 extending <del>nine hundred</del>	taxed in additional
19 (900) feet beyond that	increments as follows:
20 area designated by the	<del>A ten percent</del> (10%)
21 governing authority as	increase in <del>valuation</del> <u>assessed</u>
22 the central business	value per year until a total
23 district of a community.	value for tax purposes
24	is <del>one hundred percent</del> (100%)
25	of <u>assessed</u> value.

1 (ii) Land from that Improvements shall be  
 2 designation under taxed in additional  
 3 subsection (4) (b) (i) increments as follows: A  
 4 to the corporate ~~thirty-three and~~  
 5 boundary or city limits. ~~one-third percent~~  
 6 ~~{33 1/3%}~~ increase in  
 7 valuation assessed value per year until  
 8 a total value for tax  
 9 purposes is ~~one hundred~~  
 10 ~~percent-{100%}~~ of assessed value.  
 11 (iii) Land lying from An increase in taxes  
 12 the corporate boundary to over the normally  
 13 the ~~four and one-half~~ assessed value of ~~ten~~  
 14 ~~{4 1/2}~~ 4 1/2-mile limit. ~~percent-{10%}~~ per year  
 15 for a period of ~~ten~~ 10 years  
 16 unless given a waiver by  
 17 the governing authority.  
 18 (iv) Land lying beyond An increase in taxes  
 19 the ~~four and one-half~~ over the normally  
 20 ~~{4 1/2}~~ 4 1/2-mile limit. assessed value of  
 21 ~~twenty-five percent-{25%}~~  
 22 per year for ~~fifteen-{15}~~  
 23 years unless given a  
 24 waiver by the governing  
 25 authority."

1 Section 66. Section 89-3403, R.C.M. 1947, is amended  
 2 to read as follows:  
 3 "89-3403. Definitions. As used in this act, unless the  
 4 context clearly indicates otherwise:  
 5 (1) "~~District~~ district" means a conservancy district,  
 6 which is a public corporation and a political subdivision of  
 7 the state;  
 8 (2) "~~Directors~~ directors" means the board of directors  
 9 of a conservancy district;  
 10 (3) "~~Elector~~ elector" means a person qualified to vote  
 11 under ~~section~~ 89-3423;  
 12 (4) "~~Court~~ court" means the district court of the  
 13 judicial district in which the largest portion of the  
 14 taxable valuation of real property of the proposed district  
 15 is located and within the county in which the largest  
 16 portion of the taxable valuation of real property of the  
 17 proposed district is located within the judicial district;  
 18 (5) "~~Person~~ person" means a natural person; firm;  
 19 partnership; ~~co-operative~~ cooperative; association; public  
 20 or private corporation, including the state of Montana or  
 21 the United States; foundation; state agency or institution;  
 22 county; municipality; district or other political  
 23 subdivision of the state; federal agency or bureau; or any  
 24 other legal entity;  
 25 (6) "~~Department~~ department" means the department of

1 natural resources and conservation provided for in Title  
2 82A, chapter 15*v*;

3 (7) "~~Board~~ board of supervisors" means the board of  
4 supervisors of the soil and water conservation district in  
5 which the largest portion of the taxable valuation of real  
6 property of the proposed district is located*v*;

7 (8) "~~Works~~ works" means all property, rights,  
8 easements, franchises, and other facilities including, but  
9 not limited to, land, reservoirs, dams, canals, dikes,  
10 ditches, pumping units, mains, pipelines, waterworks  
11 systems, recreational facilities, facilities for fish and  
12 wildlife, and facilities to control and correct pollution*v*;

13 (9) "~~Cost~~ cost of works" means the cost of  
14 construction, acquisition, improvement, extension, and  
15 development of works, including financing charges, interest,  
16 and professional services*v*;

17 (10) "~~Applicants~~ applicants" means any person residing  
18 within the boundaries of the proposed district making a  
19 request for a study of the feasibility of forming a  
20 conservancy district*v*;

21 (11) "~~Notice~~ notice" means publication at least once  
22 each week for ~~three~~ {3} consecutive weeks in a newspaper  
23 published in each county, or, if no newspaper is published  
24 in a county, a newspaper of general circulation in the  
25 county, or counties, in which a district is or will be

1 located. The last published notice shall appear not less  
2 than ~~five~~ {5} days prior to any hearing or election held  
3 under this act*v*;

4 (12) "~~Owners~~ owners" are the person or persons who  
5 appear as owners of record of the legal title to real  
6 property according to the county records whether such title  
7 is held beneficially or in a fiduciary capacity, except that  
8 a person holding a title for purposes of security is not an  
9 owner nor shall may he affect the previous title for  
10 purposes of this act*v*;

11 (13) "~~Taxable~~ taxable valuation" shall ~~mean~~ is the  
12 ~~valuation determined according to section 84-302, R. C. N.,~~  
13 ~~1947,~~ value as defined in 84-401 and does not mean assessed  
14 valuation."

15 Section 67. Repealer. Sections 69-3923, 84-301,  
16 84-302, 84-304, 84-305, 84-307, and 84-308, R.C.N. 1947, are  
17 repealed.

-End-

STATE OF MONTANA

REQUEST NO. 40-77

FISCAL NOTE

Form BD-15

In compliance with a written request received January 10, 19 77, there is hereby submitted a Fiscal Note for House Bill 70 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 is an act to clarify the property tax system by generally revising and recodifying sections relating to property classification and taxation and by establishing market value as the basis of taxation, except for certain cases, and adjusting the taxable percentage.

ASSUMPTIONS

All administrative costs involved in changing to the new system would be absorbed.

FISCAL IMPACT

No change. The percentages of market value in the proposed law at which various items of property are taxed were selected to reflect current practice. Since this is the case the state's tax base should be preserved under the proposed law and there should be no effect on revenue to the state.

EFFECT ON COUNTY OR OTHER LOCAL REVENUE

There should be no effect on local revenues since local tax bases are preserved.

TECHNICAL NOTES

1. There doesn't seem to be any reason other than historical precedent for not consolidating sections 3 and 4 of the proposed legislation. The same is true of sections 6 and 8. If this were done section 11 (1)(b) would have to be amended to read "seven preceding classes" rather than "nine preceding classes" and the remaining classes would have to be renumbered.
2. Section 84-301.12 (1) and (2) do not, strictly speaking, make sense because (1) indicates that the only item of property in class eleven is "the annual net proceeds of all mines" while (2) indicates that class eleven property "is taxed at 100% of its annual net proceeds" leading to the conclusion that annual net proceeds are to be taxed at 100% of their annual net proceeds. The same sort of criticism also may be made of sections 13 and 14. Following are suggested changes:

84-301.12 Class eleven property - description - taxable percentage. (1) Class eleven property includes the value of the net product of all mines and mining claims, except coal mines, calculated from the value of the gross product of such mines by deducting the expenses specified and allowed by 84-5403.

(Continued on page 2)

R. J. Z. for  
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-12-77

STATE OF MONTANA

REQUEST NO. 40-77

FISCAL NOTE

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(Page 2)

(2) Class eleven property is taxed at 100% of its assessed value.

84-301.13 Class twelve property - description - taxable percentage. (1) Class twelve property includes the value of the gross product of underground coal mines.

(2) Class twelve property is taxed at 33 1/3% of its assessed value.

84-301.14 Class thirteen property - description - taxable percentage. (1) Class thirteen property includes the value of the gross product of coal mines which use the strip-mining method.

(2) Class thirteen property is taxed at 45% of its assessed value.

3. Section 65 of the proposed legislation consists of amendments to the Montana Economic Land Development Act (MELDA) found in chapter 75 of Title 84. From 84-7504(13) it can be inferred that the concept of value being used in MELDA is taxable value, thus, to insert the word "assessed" as is done on page 102 line 21, and page 102 lines 7 and 10, may alter the intent of MELDA.

(Prepared by Department of Revenue)

*Richard L. Deary*  
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-14-77

SECOND READING

MISSING



HOUSE BILL NO. 70

INTRODUCED BY FABREGA, MOORE, O'KEEFE, FAGG,  
WILLIAMS, LIEN, HUENNEKENS, VINCENT, UNDERDAL

A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE PROPERTY TAX SYSTEM BY GENERALLY REVISING AND RECODIFYING SECTIONS RELATING TO PROPERTY CLASSIFICATION AND TAXATION AND BY ESTABLISHING MARKET VALUE AS THE BASIS OF TAXATION, EXCEPT FOR CERTAIN CASES, AND ADJUSTING THE TAXABLE PERCENTAGE ACCORDINGLY; AMENDING SECTIONS 11-988, 11-1011, 11-1019, 11-1301, 11-1909, 11-1919, 11-2201, 11-2205, 11-2303, 11-3921, 11-4111, 14-307, 16-502, 16-807, 16-808, 16-1152, 16-1412, 16-2010.1, 16-4020, 32-3107, 46-1914, 53-114, 53-1025, 69-3504, ~~69-3923~~, 75-7104, 75-8104, 84-101, 84-401, 84-402, 84-404, 84-406, 84-602, 84-708.1, 84-728, 84-4605, 84-4701, 84-4701.2, 84-4713, 84-5103, 84-5211, 84-5214, 84-5216, 84-5406, 84-6008, 84-6102, 84-6103, 84-6205, 84-6407, 84-7403, 84-7513, AND 89-3403, R.C.M. 1947; AND REPEALING SECTIONS 69-3923, 84-301, 84-302, 84-304, 84-305, 84-307, AND 84-308, R.C.M. 1947."

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

Section 1. There is a new R.C.M. section numbered 84-301.1 that reads as follows:

84-301.1. Classification of taxable property. For the

purpose of taxation, the taxable property in the state shall be classified in accordance with 84-301.2 through ~~84-301.15~~ 84-301.19.

Section 2. There is a new R.C.M. section numbered 84-301.2 that reads as follows:

84-301.2. Class one property -- description -- taxable percentage. (1) Class one property includes the right of entry which is a property right reserved in land or received by mesne conveyance (exclusive of leasehold interests), devise, or succession to enter land whose surface title is held by another to explore, prospect, or dig for oil, gas, coal, or minerals. The market value of the right of entry is determined by the department of revenue.

(2) Class one property is taxed at 100% of its market value.

Section 3. There is a new R.C.M. section numbered 84-301.3 that reads as follows:

84-301.3. Class two property -- description -- taxable percentage. ~~(1) Class two property includes:~~

~~(a) all agricultural and other tools, implements, and machinery;~~

~~(b) gas and other engines and boilers and threshing machines and outfits used therewith;~~

~~(c) automobiles, motor trucks, and other power-driven cars and vehicles of all kinds except mobile homes;~~

1 ~~(d) boats and all watercraft;~~  
 2 ~~(e) harness, saddlery, and robes;~~  
 3 ~~(f) all property, except that included in class five,~~  
 4 ~~84-301.6, used and owned by persons, firms, corporations, or~~  
 5 ~~other organizations that are engaged in the business of~~  
 6 ~~furnishing telephone communications exclusively to rural~~  
 7 ~~areas or to rural areas and cities and towns of 800 persons~~  
 8 ~~or less. The average circuit miles for each station on the~~  
 9 ~~telephone communications system must be more than 1 1/4~~  
 10 ~~miles to qualify for this classification.~~

11 ~~(2) Class two property is taxed at 13% of its market~~  
 12 ~~value. (1) CLASS TWO PROPERTY INCLUDES THE ANNUAL NET~~  
 13 ~~PROCEEDS OF ALL MINES AND MINING CLAIMS, EXCEPT COAL MINES.~~

14 ~~(2) CLASS TWO PROPERTY IS TAXED AT 100% OF ITS ANNUAL~~  
 15 ~~NET PROCEEDS AFTER DEDUCTING THE EXPENSES SPECIFIED AND~~  
 16 ~~ALLOWED BY 84-5403.~~

17 ~~Section 4. There is a new R.C.M. section numbered~~  
 18 ~~84-301.4 that reads as follows:~~

19 ~~84-301.4. Class three property description~~  
 20 ~~percentage. (1) Class three property includes:~~

21 ~~(a) livestock, poultry, and unprocessed products of~~  
 22 ~~both;~~

23 ~~(b) furniture and fixtures used in commercial, office,~~  
 24 ~~and hotel activities, except improvements included in class~~  
 25 ~~nine.~~

1 ~~(2) Class three property is taxed at 13% of its market~~  
 2 ~~value.~~

3 ~~Section 5. There is a new R.C.M. section numbered~~  
 4 ~~84-301.5 that reads as follows:~~

5 ~~84-301.5. Class four property description~~  
 6 ~~taxable percentage. (1) Class four property includes:~~

7 ~~(a) all land, except agricultural land meeting the~~  
 8 ~~qualifications of 84-437.2;~~

9 ~~(b) all improvements, except those included in class~~  
 10 ~~five, eight, or nine;~~

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

13 ~~(d) all mobile homes, except:~~  
 14 ~~(i) those held by a distributor or dealer of mobile~~  
 15 ~~homes as part of his stock in trade; and~~

16 ~~(ii) those included in class eight;~~

17 ~~(e) manufacturing and mining machinery, fixtures, and~~  
 18 ~~supplies, except those included in class five, seven, or~~  
 19 ~~eight.~~

20 ~~(2) Class four property is taxed at 12% of its market~~  
 21 ~~value.~~

22 ~~Section 6. There is a new R.C.M. section numbered~~  
 23 ~~84-301.6 that reads as follows:~~

24 ~~84-301.6. Class five property description~~  
 25 ~~taxable percentage. (1) Class five property includes:~~

1 ~~(a) all property used and owned by cooperative rural~~  
 2 ~~electrical and cooperative rural telephone associations as~~  
 3 ~~provided in (2) (a) of this section;~~

4 ~~(b) all unprocessed agricultural products on the farm~~  
 5 ~~or in storage, except:~~

6 ~~(i) all perishable fruits and vegetables in farm~~  
 7 ~~storage and owned by the producer; and~~

8 ~~(ii) livestock and poultry and the unprocessed products~~  
 9 ~~of both;~~

10 ~~(c) a dwelling house and the lot on which it is~~  
 11 ~~erected, owned and occupied by a disabled veteran under the~~  
 12 ~~condition specified in (2) (b) of this section.~~

13 ~~(2) (a) The property of all cooperative rural~~  
 14 ~~electrical and cooperative rural telephone associations~~  
 15 ~~organized under the laws of Montana is included in this~~  
 16 ~~class, except that when less than 95% of the electricity~~  
 17 ~~consumers or telephone users within the incorporated limits~~  
 18 ~~of a city or town are served by the cooperative~~  
 19 ~~organization, the property is included in class two.~~

20 ~~(b) To be included in this class, a dwelling house and~~  
 21 ~~lot on which it is erected must be owned and occupied by a~~  
 22 ~~resident of the state:~~

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

25 ~~(ii) who is rated 100% disabled due to a~~

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

7 ~~(3) Class five property is taxed at 4.2% of its market~~  
 8 ~~value.~~

9 ~~Section 7. There is a new R.C.M. section numbered~~  
 10 ~~84-301.7 that reads as follows:~~

11 ~~84-301.7. Class six property description taxable~~  
 12 ~~percentage. (1) Class six property includes moneyed capital~~  
 13 ~~and shares of banks.~~

14 ~~(2) Moneyed capital is defined as money, bonds,~~  
 15 ~~notes, and other evidence of indebtedness, including~~  
 16 ~~evidence of indebtedness secured by mortgage on real or~~  
 17 ~~personal property, in the hands of individual citizens and~~  
 18 ~~corporations in competition with the business of national~~  
 19 ~~banks or employed in conducting a banking or investment~~  
 20 ~~business.~~

21 ~~(3) In ascertaining the value of moneyed capital for~~  
 22 ~~taxation, any deposits and any indebtedness borrowed for use~~  
 23 ~~as moneyed capital are deducted from the amount of bonds,~~  
 24 ~~notes, and other evidence of indebtedness.~~

25 ~~(4) In ascertaining the value of the shares of a~~

1 ~~national bank for taxation, the book value of all real~~  
 2 ~~estate owned by a bank is deducted from the value of the~~  
 3 ~~shares and assessed to the bank separately. The shares of~~  
 4 ~~banking corporations engaged in the banking business in~~  
 5 ~~Montana are assessed at 100% of book value, less the book~~  
 6 ~~value of the real estate, moneyed capital, and other~~  
 7 ~~property of the bank that is assessed and taxed as the~~  
 8 ~~property of the bank.~~

9 ~~(5) Class six property is taxed at 30% of its book~~  
 10 ~~value, with the exception of the surplus shown on the bank's~~  
 11 ~~books. The surplus, to the amount of the stated capital of~~  
 12 ~~the bank, is taxed at 7% of its book value. The amount of~~  
 13 ~~surplus in excess of the stated capital is taxed at 30%.~~

14 ~~Section 6. There is a new R.C.M. section numbered~~  
 15 ~~84-301.8 that reads as follows:~~

16 ~~84-301.8. Class seven property description~~  
 17 ~~taxable percentage. (1) Class seven property includes:~~

18 ~~(a) business inventories as defined in this section;~~

19 ~~(b) air pollution control equipment as defined in this~~  
 20 ~~section;~~

21 ~~(c) all new industrial property as defined in this~~  
 22 ~~section;~~

23 ~~(d) a capital investment in a recognized nonfossil~~  
 24 ~~form of energy generation, to the extent provided under~~  
 25 ~~84-7403.~~

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

7 ~~(3) "Air pollution control equipment" means~~  
 8 ~~facilities, machinery, or equipment, attached or unattached~~  
 9 ~~to real property, utilized to reduce, eliminate, control, or~~  
 10 ~~prevent air pollution. The department of health and~~  
 11 ~~environmental sciences shall determine if such utilization~~  
 12 ~~is being made.~~

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

18 ~~(b) New industrial property is limited to industries~~  
 19 ~~that:~~

20 ~~(i) manufacture, mill, mine, produce, process, or~~  
 21 ~~fabricate materials;~~

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

1 ~~products or materials; or~~  
 2 ~~(iii) engage in the mechanical or chemical~~  
 3 ~~transformation of materials or substances into new products~~  
 4 ~~in the manner defined as manufacturing in the 1972 Standard~~  
 5 ~~Industrial Classification Manual prepared by the United~~  
 6 ~~States office of management and budget.~~  
 7 ~~(c) New industrial property shall in no event include:~~  
 8 ~~(i) property used by retail or wholesale merchants,~~  
 9 ~~commercial services of any type, agriculture, trades, or~~  
 10 ~~professionals;~~  
 11 ~~(ii) a plant that will create adverse impact on~~  
 12 ~~existing state, county, or municipal services;~~  
 13 ~~(iii) property used or employed in any industrial plant~~  
 14 ~~that has been in operation in this state for 3 years or~~  
 15 ~~longer.~~  
 16 ~~(5) "New industry" means any person, corporation,~~  
 17 ~~firm, partnership, association, or other group that~~  
 18 ~~establishes a new plant or plants in Montana for the~~  
 19 ~~operation of a new industrial endeavor, as distinguished~~  
 20 ~~from a mere expansion, reorganization, or merger of an~~  
 21 ~~existing industry or industries.~~  
 22 ~~(6) The department of revenue shall promulgate rules~~  
 23 ~~for the determination of what constitutes an adverse impact,~~  
 24 ~~taking into consideration the number of people to be~~  
 25 ~~employed and the size of the community in which the location~~

1 ~~is contemplated. Any person, corporation, firm, partnership,~~  
 2 ~~association, or other group seeking to qualify its property~~  
 3 ~~for inclusion in this class shall make application to the~~  
 4 ~~department of revenue in such a manner and form as the~~  
 5 ~~department requires. Once the department has made an initial~~  
 6 ~~determination that the industrial facility qualifies as new~~  
 7 ~~industrial property, the department shall then, upon proper~~  
 8 ~~notice, hold a hearing to determine if the new industrial~~  
 9 ~~classification should be retained by the property. The local~~  
 10 ~~taxing authority may appear at the hearing and may waive its~~  
 11 ~~objection to retention of this classification if the~~  
 12 ~~industry agrees to the prepayment of taxes sufficient to~~  
 13 ~~satisfy tax requirements created by the location and~~  
 14 ~~construction of the facility during the construction period.~~  
 15 ~~When a prepayment of taxes is required, the maximum amount~~  
 16 ~~of prepayment shall be the amount of tax the industry would~~  
 17 ~~have paid without the application of the class seven~~  
 18 ~~percentage to such property.~~  
 19 ~~(7) If a major new industrial facility qualifies under~~  
 20 ~~class seven, the reduction of its yearly payment of property~~  
 21 ~~taxes for reimbursement of its prepaid taxes as provided for~~  
 22 ~~in 84-41-105 does not begin until the class seven~~  
 23 ~~qualification expires.~~  
 24 ~~(8) Class seven property shall be taxed at 4.2% of its~~  
 25 ~~market value.~~

1 ~~Section 9. There is a new B.C.M. section numbered~~  
 2 ~~84-304.9 that reads as follows:~~

3 ~~84-304.9. Class eight property description~~  
 4 ~~taxable percentage. (1) Class eight property includes:~~

5 ~~(a) a capital investment in a building for an energy~~  
 6 ~~conservation purpose, to the extent provided under 84-7403;~~

7 ~~(b) any improvement on real property, a trailer~~  
 8 ~~affixed to land, or a mobile home and appurtenant land not~~  
 9 ~~exceeding 5 acres, which together meet the following~~  
 10 ~~conditions:~~

11 ~~(i) have a market value of not more than \$27,500;~~  
 12 ~~(ii) are owned or under contract for deed and are~~  
 13 ~~actually occupied for at least 10 months per year as the~~  
 14 ~~primary residential dwelling of:~~

15 ~~(A) a widow or widower 62 years of age or older who~~  
 16 ~~qualifies under the income limitations of (C) of this~~  
 17 ~~section;~~

18 ~~(B) a widow or widower of any age with dependent~~  
 19 ~~children who qualifies under the income limitations of (C)~~  
 20 ~~of this section; or~~

21 ~~(C) a recipient or recipients of retirement or~~  
 22 ~~disability benefits whose total income from all sources is~~  
 23 ~~not more than \$6,000 a year for a single person or \$6,800 a~~  
 24 ~~year for a married couple.~~

25 ~~(2) (a) A person applying for classification of~~

1 ~~property under this class must make an affidavit to the~~  
 2 ~~department of revenue on a form provided by the department~~  
 3 ~~without cost as to:~~

4 ~~(i) his income, if applicable;~~  
 5 ~~(ii) his retirement benefits, if applicable;~~  
 6 ~~(iii) his marital status, if applicable; and~~  
 7 ~~(iv) the fact that he maintains the land and~~  
 8 ~~improvements as his primary residential dwelling.~~

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

21 ~~(c) The assessed value of the property may not be~~  
 22 ~~increased during the life of the recipient of retirement~~  
 23 ~~benefits or widow or widower covered under this class,~~  
 24 ~~unless the owner resident makes a substantial improvement in~~  
 25 ~~the dwelling.~~

1 ~~(3) Class eight property is taxed at 6% of its market~~  
 2 ~~value.~~  
 3 ~~Section 10. There is a new R.C.M. section numbered~~  
 4 ~~84-301.10 that reads as follows:~~  
 5 ~~84-301.10. Class nine property description~~  
 6 ~~taxable percentage. (1) Class nine property includes the~~  
 7 ~~incremental increase in the value of real estate produced by~~  
 8 ~~repairing, maintaining, or improving existing improvements.~~  
 9 ~~(2) Class nine property is taxed at:~~  
 10 ~~(a) 2.4% of the market value for the first full year~~  
 11 ~~following completion of the repair, maintenance, or~~  
 12 ~~improving of existing improvements;~~  
 13 ~~(b) 4.8% of the market value for the second full year~~  
 14 ~~following completion of the repair, maintenance, or~~  
 15 ~~improving of existing improvements;~~  
 16 ~~(c) 7.2% of the market value for the third full year~~  
 17 ~~following completion of the repair, maintenance, or~~  
 18 ~~improving of existing improvements;~~  
 19 ~~(d) 9.6% of the market value for the fourth full year~~  
 20 ~~following completion of the repair, maintenance, or~~  
 21 ~~improving of existing improvements; and~~  
 22 ~~(e) 12% of the market value for the fifth full year~~  
 23 ~~and every year thereafter following completion of the~~  
 24 ~~repair, maintenance, or improving of existing improvements.~~  
 25 ~~Section 11. There is a new R.C.M. section numbered~~

1 ~~84-301.11 that reads as follows:~~  
 2 ~~84-301.11. Class ten property description~~  
 3 ~~taxable percentage. (1) Class ten property includes:~~  
 4 ~~(a) centrally assessed utility allocations after~~  
 5 ~~deductions of locally assessed properties, except as~~  
 6 ~~provided in:~~  
 7 ~~(i) class two for rural telephones; and~~  
 8 ~~(ii) class five for cooperatives;~~  
 9 ~~(b) all other property not included in the nine~~  
 10 ~~preceding classes.~~  
 11 ~~(2) Class ten property is taxed at 16% of its market~~  
 12 ~~value.~~  
 13 ~~Section 12. There is a new R.C.M. section numbered~~  
 14 ~~84-301.12 that reads as follows:~~  
 15 ~~84-301.12. Class eleven property description~~  
 16 ~~taxable percentage. (1) Class eleven property includes the~~  
 17 ~~annual net proceeds of all mines and mining claims, except~~  
 18 ~~coal mines.~~  
 19 ~~(2) Class eleven property is taxed at 100% of its~~  
 20 ~~annual net proceeds after deducting the expenses specified~~  
 21 ~~and allowed by 84-5403.~~  
 22 ~~Section 13. There is a new R.C.M. section numbered~~  
 23 ~~84-301.13 that reads as follows:~~  
 24 ~~84-301.13. Class twelve property description~~  
 25 ~~taxable percentage. (1) Class twelve property includes the~~

1 ~~annual gross proceeds of underground coal mines.~~

2 ~~(2) Class twelve property is taxed at 33 1/3% of the~~  
 3 ~~annual gross proceeds.~~

4 ~~Section 14. There is a new R.C.M. section numbered~~  
 5 ~~84-301.14 that reads as follows:~~

6 ~~84-301.14. Class thirteen property -- description --~~  
 7 ~~taxable percentage. (1) Class thirteen property includes~~  
 8 ~~the annual gross proceeds of coal mines using the~~  
 9 ~~strip mining method.~~

10 ~~(2) Class thirteen property is taxed at 45% of the~~  
 11 ~~annual gross proceeds.~~

12 ~~Section 15. There is a new R.C.M. section numbered~~  
 13 ~~84-301.15 that reads as follows:~~

14 ~~84-301.15. Class fourteen property -- description --~~  
 15 ~~taxable percentage. (1) Class fourteen property includes~~  
 16 ~~agricultural land, as defined in 84-427.2.~~

17 ~~(2) Class fourteen property is taxed at 12% of its~~  
 18 ~~assessed value.~~

19 SECTION 4. THERE IS A NEW R.C.M. SECTION NUMBERED  
 20 84-301.4 THAT READS AS FOLLOWS:

21 84-301.4. Class three property -- description --  
 22 percentage. (1) Class three property includes the annual  
 23 gross proceeds of coal mines using the strip mining method.

24 (2) Class three property is taxed at 45% of its  
 25 assessed value, which is 100% of annual gross proceeds.

1 SECTION 5. THERE IS A NEW R.C.M. SECTION NUMBERED  
 2 84-301.5 THAT READS AS FOLLOWS:

3 84-301.5. Class four property -- description --  
 4 taxable percentage. (1) Class four property includes the  
 5 annual gross proceeds of underground coal mines.

6 (2) Class four property is taxed at 33 1/3% of its  
 7 assessed value, which is 100% of annual gross proceeds.

8 SECTION 6. THERE IS A NEW R.C.M. SECTION NUMBERED  
 9 84-301.6 THAT READS AS FOLLOWS:

10 84-301.6. Class five property -- description --  
 11 taxable percentage. (1) Class five property includes moneyed  
 12 capital and shares of banks.

13 (2) Moneyed capital is defined as moneys, bonds,  
 14 notes, and other evidence of indebtedness, including  
 15 evidence of indebtedness secured by mortgage on real or  
 16 personal property, in the hands of individual citizens and  
 17 corporations in competition with the business of national  
 18 banks or employed in conducting a banking or investment  
 19 business.

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

24 (4) In ascertaining the value of the shares of a  
 25 national bank for taxation, the book value of all real



1 estate owned by a bank is deducted from the value of the  
 2 shares and assessed to the bank separately. The shares of  
 3 banking corporations engaged in the banking business in  
 4 Montana are assessed at 100% of book value, less the book  
 5 value of the real estate, moneyed capital, and other  
 6 property of the bank that is assessed and taxed as the  
 7 property of the bank.

8 (5) Class five property is taxed at 30% of its book  
 9 value, with the exception of the surplus shown on the bank's  
 10 books. The surplus, to the amount of the stated capital of  
 11 the bank, is taxed at 7% of its book value. The amount of  
 12 surplus in excess of the stated capital is taxed at 30%.

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 agricultural  
 17 land, as defined in 84-437.2.

18 (2) Class six property is taxed at 30% of its assessed  
 19 value.

20 SECTION 8. THERE IS A NEW R.C.M. SECTION NUMBERED  
 21 84-301.8 THAT READS AS FOLLOWS:

22 84-301.8. Class seven property -- description --  
 23 taxable percentage. (1) Class seven property includes:

24 (a) centrally assessed utility allocations after  
 25 deductions of locally assessed properties, except as

1 provided in:

2 (i) class fourteen for rural telephones; and

3 (ii) class eighteen for cooperatives;

4 (b) all other property not included in classes one  
 5 through six and classes eight through eighteen;

6 (c) large trucks and commercial trailers valued in the  
 7 department of revenue's truck and commercial trailer  
 8 schedule.

9 (2) Class seven property is taxed at 16% of its market  
 10 value.

11 SECTION 9. THERE IS A NEW R.C.M. SECTION NUMBERED  
 12 84-301.9 THAT READS AS FOLLOWS:

13 84-301.9. Class eight property -- description --  
 14 taxable percentage. (1) Class eight property includes:

15 (a) all agricultural and other tools, implements, and  
 16 machinery except:

17 (i) large farm machinery included in class twelve; and

18 (ii) tools and implements included in class fourteen;

19 (b) gas and other engines and boilers and threshing  
 20 machines and outfits used therewith;

21 (c) harness, saddlery, and robes;

22 (2) Class eight property is taxed at 13% of its market  
 23 value.

24 SECTION 10. THERE IS A NEW R.C.M. SECTION NUMBERED  
 25 84-301.10 THAT READS AS FOLLOWS:

1 84-301.10. Class nine property -- description --  
 2 taxable percentage. (1) Class nine property includes:

3 (a) automobiles, motor trucks, and other power-driven  
 4 cars and vehicles of all kinds, except mobile homes,  
 5 motorcycles, aircraft, camper trailers, and truck campers;

6 (b) livestock, poultry, and unprocessed products of  
 7 both; and

8 (c) furniture and fixtures used in commercial, office,  
 9 and hotel activities, except improvements included in class  
 10 thirteen.

11 (2) Class nine property is taxed at 13.3% of its  
 12 market value.

13 SECTION 11. THERE IS A NEW R.C.M. SECTION NUMBERED  
 14 84-301.11 THAT READS AS FOLLOWS:

15 84-301.11. Class ten property -- description --  
 16 taxable percentage. (1) Class ten property includes:

17 (a) aerial, surface, and portable ski lifts and ski  
 18 tows, including the towers, cables, ropes, sheave  
 19 assemblies, conveying devices, power units, and all  
 20 accessories;

21 (b) manufacturing and mining machinery, fixtures, and  
 22 supplies, except those included in class eighteen; and

23 (c) camper trailers and truck campers valued in the  
 24 "Official Boat Trailer Trade-in Guide Blue Book".

25 (2) Class ten property is taxed at 12% of market

1 value.

2 SECTION 12. THERE IS A NEW R.C.M. SECTION NUMBERED  
 3 84-301.12 THAT READS AS FOLLOWS:

4 84-301.12. Class eleven property -- description --  
 5 taxable property. (1) Class eleven property includes:

6 (a) all land, except agricultural land meeting the  
 7 qualification of 84-437.2;

8 (b) all improvements, except those included in classes  
 9 fifteen and eighteen;

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

12 (d) all mobile homes, except:

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

15 (ii) those included in class fifteen.

16 (2) Class eleven property is taxed at 12% of its  
 17 market value.

18 SECTION 13. THERE IS A NEW R.C.M. SECTION NUMBERED  
 19 84-301.13 THAT READS AS FOLLOWS:

20 84-301.13. Class twelve property -- description --  
 21 taxable percentage. (1) Class twelve property includes:

22 (a) boats and all watercraft;

23 (b) aircraft;

24 (c) motorcycles; and

25 (d) large farm machinery valued in the official guide

1 tractors and farm implements and department valuation  
2 schedules.

3 (2) Class twelve property is taxed at 11% of its  
4 market value.

5 SECTION 14. THERE IS A NEW R.C.M. SECTION NUMBERED  
6 84-301.14 THAT READS AS FOLLOWS:

7 84-301.14. Class thirteen property -- description --  
8 taxable percentage. (1) Class thirteen property includes the  
9 incremental increase in the value of real estate produced by  
10 repairing, maintaining, or improving existing improvements.

11 (2) Class thirteen property is taxed at:

12 (a) 2.4% of the market value for the first full year  
13 following completion of the repair, maintenance, or  
14 improving of existing improvements;

15 (b) 4.8% of the market value for the second full year  
16 following completion of the repair, maintenance, or  
17 improving of existing improvements;

18 (c) 7.2% of the market value for the third full year  
19 following completion of the repair, maintenance, or  
20 improving of existing improvements;

21 (d) 9.6% of the market value for the fourth full year  
22 following completion of the repair, maintenance, or  
23 improving of existing improvements; and

24 (e) 12% of the market value for the fifth full year  
25 and every year thereafter following completion of the

1 repair, maintenance, or improving of existing improvements.

2 SECTION 15. THERE IS A NEW R.C.M. SECTION NUMBERED  
3 84-301.15 THAT READS AS FOLLOWS:

4 84-301.15. Class fourteen property -- description --  
5 taxable percentage. (1) Class fourteen property includes:

6 (a) all poles, lines, transformers, transformer  
7 stations, meters, tools, improvements, machinery and other  
8 property, except that included in class eighteen, used and  
9 owned by persons, firms, corporations, or other  
10 organizations that are engaged in the business of furnishing  
11 telephone communications exclusively to rural areas or to  
12 rural areas and cities and towns of 800 persons or less. The  
13 average circuit miles for each station on the telephone  
14 communications system must be more than 1 1/4 miles to  
15 qualify for this classification;

16 (b) tools, implements, and machinery used to repair  
17 and maintain machinery not used for manufacturing and mining  
18 purposes; and

19 (c) electric transformers and meters and gas  
20 regulators and meters that are not part of the single and  
21 continuous property of a utility that is centrally assessed.

22 (2) Class fourteen is taxed at 8% of its market value.

23 SECTION 16. THERE IS A NEW R.C.M. SECTION NUMBERED  
24 84-301.16 THAT READS AS FOLLOWS:

25 84-301.16. Class fifteen property -- description --

1 taxable percentage. (1) Class fifteen property includes:  
 2 (a) a capital investment in a building for an energy  
 3 conservation purpose, to the extent provided under 84-7403;  
 4 and  
 5 (b) any improvement on real property, a trailer  
 6 affixed to land, or a mobile home and appurtenant land not  
 7 exceeding 5 acres, which together meet the following  
 8 conditions:  
 9 (i) have a market value of not more than \$27,500;  
 10 (ii) are owned or under contract for deed and are  
 11 actually occupied for at least 10 months per year as the  
 12 primary residential dwelling of:  
 13 (A) a widow or widower 62 years of age or older who  
 14 qualifies under the income limitations of (C) of this  
 15 section;  
 16 (B) a widow or widower of any age with dependent  
 17 children who qualifies under the income limitations of (C)  
 18 of this section; or  
 19 (C) a recipient or recipients of retirement or  
 20 disability benefits whose total income from all sources is  
 21 not more than \$6,000 a year for a single person or \$6,800  
 22 for a married couple.  
 23 (2) (a) A person applying for classification of  
 24 property under this class must make an affidavit to the  
 25 department of revenue on a form provided by the department

1 without cost as to:  
 2 (i) his income, if applicable;  
 3 (ii) his retirement benefits, if applicable;  
 4 (iii) his marital status, if applicable; and  
 5 (iv) the fact that he maintains the land and  
 6 improvements as his primary residential dwelling.  
 7 (b) The county welfare board may investigate the  
 8 applicant as to the answers given on the form. For the  
 9 purpose of the affidavit required for classification of  
 10 property under this class, it shall be sufficient if the  
 11 applicant signs a statement swearing to or affirming the  
 12 correctness of the information supplied, whether or not the  
 13 statement is signed before a person authorized to administer  
 14 oaths, and mails the application and statement to the  
 15 department of revenue. This signed statement shall be  
 16 treated as a statement under oath or equivalent affirmation  
 17 for the purposes of 94-7-203, relating to the criminal  
 18 offense of false swearing.  
 19 (c) The assessed value of the property may not be  
 20 increased during the life of the recipient of retirement  
 21 benefits or widow or widower covered under this class,  
 22 unless the owner-resident makes a substantial improvement in  
 23 the dwelling.  
 24 (3) Class fifteen property is taxed at 6% of its  
 25 market value.

1 SECTION 17. THERE IS A NEW R.C.M. SECTION NUMBERED  
2 84-301.17 THAT READS AS FOLLOWS:

3 84-301.17. Class sixteen property -- description --  
4 taxable percentage. (1) Class sixteen property includes:

5 (a) business inventories as defined in this section;  
6 and

7 (b) mobile machines, valued as other heavy  
8 construction equipment is valued, used in new industries, as  
9 defined in class eighteen.

10 (2) Mobile machines used in new industry are subject  
11 to the conditions imposed in class eighteen for other  
12 property used in new industries.

13 (3) "Business inventories" includes goods intended for  
14 sale or lease in the ordinary course of business and raw  
15 materials and work in progress with respect to such goods.  
16 Business inventories shall not include goods leased or  
17 rented or mobile homes held by a dealer or distributor as  
18 part of his stock in trade.

19 (4) The market value of business inventories, for  
20 property tax purposes, is the cost to the person subject to  
21 the inventory tax.

22 (5) Class sixteen property is taxed at 4.2% of market  
23 value.

24 SECTION 18. THERE IS A NEW R.C.M. SECTION NUMBERED  
25 84-301.18 THAT READS AS FOLLOWS:

1 84-301.18. Class seventeen property -- description --  
2 taxable percentage. (1) Class seventeen property includes  
3 all unprocessed agricultural products on the farm or in  
4 storage, except:

5 (a) all perishable fruits and vegetables in farm  
6 storage and owned by the producer; and

7 (b) livestock and poultry and the unprocessed products  
8 of both.

9 (2) Class seventeen property is taxed at 3.5% of  
10 market value.

11 SECTION 19. THERE IS A NEW R.C.M. SECTION NUMBERED  
12 84-301.19 THAT READS AS FOLLOWS:

13 84-301.19. Class eighteen property -- description --  
14 taxable percentage. (1) Class eighteen property includes:

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

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

19 (ii) is rated 100% disabled due to a service-connected  
20 disability by the United States veterans administration or  
21 its successor. In the event of the veteran's death, the  
22 dwelling house and the lot on which it is erected shall  
23 remain in this class as long as the surviving spouse remains  
24 unmarried and the owner and occupant of the property.

25 (b) all property used and owned by cooperative rural

1 electrical and cooperative rural telephone associations as  
2 provided in (2) (a) of this section.

3 (c) air pollution control equipment as defined in this  
4 section;

5 (d) new industrial property as defined in this  
6 section; and

7 (e) a capital investment in a recognized nonfossil  
8 form of energy generation, to the extent provided under  
9 84-7403.

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

17 (b) "Air pollution control equipment" means  
18 facilities, machinery, or equipment, attached or unattached  
19 to real property, utilized to reduce, eliminate, control, or  
20 prevent air pollution. The department of health and  
21 environmental sciences determines if such utilization is  
22 being made.

23 (c) "New industrial property" means any new industrial  
24 plant, including land, buildings, machinery, and fixtures,  
25 except mobile machinery, which is used by a new industry

1 during the first 3 years of its operation. The property may  
2 not have been assessed prior to July 1, 1961, within the  
3 state of Montana.

4 (i) New industrial property is limited to industries  
5 that:

6 (A) manufacture, mill, mine, produce, process, or  
7 fabricate materials;

8 (B) do similar work, employing capital and labor, in  
9 which materials unserviceable in their natural state are  
10 extracted, processed, or made fit for use or are  
11 substantially altered or treated so as to create commercial  
12 products or materials; or

13 (C) engage in the mechanical or chemical  
14 transformation of materials or substances into new products  
15 in the manner defined as manufacturing in the 1972 Standard  
16 Industrial Classification Manual prepared by the United  
17 States office of management and budget.

18 (ii) New industrial property does not include:

19 (A) property used by retail or wholesale merchants,  
20 commercial services of any type, agriculture, trades, or  
21 professions;

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

24 (C) property used or employed in any industrial plant  
25 that has been in operation in this state for 3 years or

1 longer.

2 (c) "New industry" means any person, corporation,  
3 firm, partnership, association, or other group that  
4 establishes a new plant or plants in Montana for the  
5 operation of a new industrial endeavor, as distinguished  
6 from a mere expansion, reorganization, or merger of an  
7 existing industry or industries.

8 (3) The department of revenue shall promulgate rules  
9 for the determination of what constitutes an adverse impact,  
10 taking into consideration the number of people to be  
11 employed and the size of the community in which the location  
12 is contemplated. Any person, corporation, firm, partnership,  
13 association, or other group seeking to qualify its property  
14 for inclusion in this class shall make application to the  
15 department of revenue in such a manner and form as the  
16 department requires. Once the department has made an initial  
17 determination that the industrial facility qualifies as new  
18 industrial property, the department shall then, upon proper  
19 notice, hold a hearing to determine if the new industrial  
20 classification should be retained by the property. The local  
21 taxing authority may appear at the hearing and may waive its  
22 objection to retention of this classification if the  
23 industry agrees to the prepayment of taxes sufficient to  
24 satisfy tax requirements created by the location and  
25 construction of the facility during the construction period.

1 When a prepayment of taxes is required, the maximum amount  
2 of prepayment shall be the amount of tax the industry would  
3 have paid without the application of the class seven  
4 percentage to such property.

5 (4) If a major new industrial facility qualifies under  
6 class eighteen, the reduction of its yearly payment of  
7 property taxes for reimbursement of its prepaid taxes as  
8 provided for in 84-41-105 does not begin until the class  
9 eighteen qualification expires.

10 (5) Class eighteen property shall be taxed at 2.8% of  
11 its market value.

12 Section 20. Section 84-401, R.C.M. 1947, is amended to  
13 read as follows:

14 "84-401. ~~Property assessed at forty percent (40%) of~~  
15 ~~its full cash value~~ exceptions Assessments, definitions,  
16 and exceptions. (1) All taxable real property and  
17 ~~improvements~~ must be assessed at ~~forty percent (40%)~~ 100% of  
18 ~~its full-cash market value except as provided in subsection~~  
19 (5) of this section AND IN 84-429,14 THROUGH 84-429,17.

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

24 (3) The department of revenue or its agents may not  
25 adopt a lower or different standard of value from market

1 ~~value in making the official assessment and appraisal of the~~  
 2 ~~value of property in classes one through ten, with the~~  
 3 ~~exception of class six CLASS ONE AND CLASSES SEVEN THROUGH~~  
 4 ~~EIGHTEEN. For purposes of taxation, assessed value is the~~  
 5 ~~same as appraised value.~~

6 ~~(4) The taxable value for all property in classes one~~  
 7 ~~through ten, with the exception of class six, CLASS ONE AND~~  
 8 ~~CLASSES SEVEN THROUGH EIGHTEEN is the percentage of market~~  
 9 ~~value established for each class of property in 84-301.2~~  
 10 ~~through 84-301.11, excluding 84-301.7 AND 84-301.8 THROUGH~~  
 11 ~~84-301.19.~~

12 ~~(5) The assessed value of properties in 84-301.7 and~~  
 13 ~~84-301.12 through 84-301.15 84-301.3 THROUGH 84-301.7 is as~~  
 14 ~~follows:~~

15 ~~(a) Property in 84-301.7 84-301.6, under class six~~  
 16 ~~FIVE, is assessed at 100% of book value, by the method~~  
 17 ~~established in 84-301.7 84-301.6, 84-4604, and 84-4605.~~

18 ~~(b) Properties in section 84-301 84-301.12~~  
 19 ~~84-301.3, under Class One class eleven TWO, shall be are~~  
 20 ~~assessed at one hundred percent (100%) of full cash value of~~  
 21 ~~the annual net proceeds after deducting the expenses~~  
 22 ~~specified and allowed by 84-5403.~~

23 ~~(c) Properties in 84-301.12 and 84-301.14 84-301.4 AND~~  
 24 ~~84-301.5, under classes twelve THREE and thirteen FOUR, are~~  
 25 ~~assessed at 100% of the annual gross proceeds.~~

1 ~~(2)(d) The assessment of agricultural lands shall be~~  
 2 ~~based upon Properties in 84-301.15 84-301.7, under class~~  
 3 ~~fourteen SIX, are assessed at 100% of the productive~~  
 4 ~~capacity of the lands when valued for agricultural purposes.~~  
 5 ~~All lands that meet the qualifications of 84-437.2 shall be~~  
 6 ~~are valued as agricultural lands for tax purposes that meet~~  
 7 ~~the qualifications of section 84-437.2, R.C.M. 1947.~~

8 ~~(6) Land and the improvements thereon shall be are~~  
 9 ~~separately assessed when any of the following conditions~~  
 10 ~~occur:~~

11 ~~(a) when ownership of the improvements is different~~  
 12 ~~from ownership of the land;~~

13 ~~(b) when requested in writing by the taxpayer, the~~  
 14 ~~taxpayer makes a written request; or~~

15 ~~(c) when the land is outside an incorporated city or~~  
 16 ~~town.~~

17 ~~(7) The taxable value of all property shall be~~  
 18 ~~determined by sections 84-301 and 84-308 in classes eleven~~  
 19 ~~TWO through fourteen SIX is the percentage of assessed value~~  
 20 ~~established in 84-301.12 84-301.3 through 84-301.15 84-301.7~~  
 21 ~~for each class of property."~~

22 Section 21. Section 11-988, R.C.M. 1947, is amended to  
 23 read as follows:

24 "11-988. Power of cities and towns to acquire natural  
 25 gas and distributing system ~~therefor~~. The city or town



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

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

21 "11-1011. Tax levy for band concerts. For the purpose  
 22 of providing band concerts ~~as in this act provided,~~ the  
 23 council or other governing body in any town or city of the  
 24 first, second, or third class, or of any incorporated town,  
 25 may assess and levy, in addition to the levy for general

1 municipal or administrative purposes, an amount not  
 2 exceeding to exceed one mill on the dollar on the assessed  
 3 taxable value of the ~~taxable~~ property of the ~~said~~ city or  
 4 town subject to taxation."

5 Section 23. Section 11-1019, R.C.M. 1947, is amended  
 6 to read as follows:

7 "11-1019. Operation of bus lines -- contracting  
 8 indebtedness. Whenever a city or town is not being served by  
 9 a bus company or operator, operating on a regular schedule,  
 10 and under the jurisdiction of the public service commission  
 11 or if such service ~~is to be or~~ is likely to be discontinued  
 12 in the immediate future, the city or town council of any  
 13 incorporated city or town ~~shall have the power to may~~  
 14 contract an indebtedness of any such city or town upon the  
 15 credit thereof by borrowing money or issuing bonds for the  
 16 purchase, development, operation, or leasing of motor buses  
 17 and bus lines for the transportation of passengers within  
 18 the corporate limits of such cities and towns, and to  
 19 operate the same to any point or points beyond ~~said these~~  
 20 limits not to exceed eight ~~(8)~~ miles, measured along the  
 21 route of ~~said the~~ bus line, ~~provided that the~~ The total  
 22 amount of indebtedness authorized to be contracted in any  
 23 form, including the then-existing indebtedness, ~~must may~~  
 24 at any time exceed ~~five per centum~~ ~~(5%)~~ 18% of the total  
 25 ~~assessed valuation~~ taxable value of the ~~taxable~~ property of

1 the city or town subject to taxation as ascertained by the  
 2 last assessment for state and county taxes, ~~and provided~~  
 3 ~~further, that no~~ no money ~~must~~ may be borrowed or bonds  
 4 issued for the purposes ~~herein~~ specified in this section  
 5 until the proposition has been submitted to the vote of the  
 6 taxpayers ~~affected thereby~~ of the city or town, and the  
 7 majority vote cast in its favor ~~thereof~~."

8 Section 24. Section 11-1301, R.C.M. 1947, is amended  
 9 to read as follows:

10 "11-1301. Presentation of claims — limitation of  
 11 actions. All accounts and demands against a city or town  
 12 must be presented to the council duly itemized. All claims  
 13 against a city or town shall contain the following  
 14 statement: "I certify that this claim is correct and just in  
 15 all respects, and that payment or credit has not been  
 16 received." Claims need not be accompanied by affidavit by  
 17 the party or his agent. These claims must be presented with  
 18 all necessary and proper vouchers, within ~~one~~ (1) year from  
 19 the date the same accrued, ~~and any~~ any claim or demand not  
 20 so presented within ~~the~~ this time ~~aforesaid~~ is forever  
 21 barred, and the council has no authority to allow any  
 22 account or demand not so presented, ~~nor must any~~ no action  
 23 may be maintained against the city or town for or on account  
 24 of any demand or claim against the ~~same~~, city or town until  
 25 such demand or claim has first been presented to the

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

11 Section 25. Section 11-1909, R.C.M. 1947, is amended  
 12 to read as follows:

13 "11-1909. Levy of tax for volunteer fire departments.  
 14 For the purpose of supporting volunteer fire departments in  
 15 any city or town which does not have a paid fire department,  
 16 and for the purpose of purchasing the necessary equipment  
 17 ~~therefor~~ for them, the council in any city or town, may  
 18 ~~assess and~~ levy, in addition to other levies permitted by  
 19 law, a special tax not exceeding ~~two~~ (2) mills on each  
 20 dollar of the ~~assessed valuation~~ taxable value of the  
 21 ~~taxable~~ property of the city or town ~~and, provided, further,~~  
 22 ~~that the words "assessed valuation" as used in this section~~  
 23 ~~shall be the percentage of the true and full valuation of~~  
 24 ~~the taxable property provided in section 24-302 and shall~~  
 25 ~~not be deemed to be the true and full valuation of such~~

1 ~~property subject to taxation."~~

2 Section 26. Section 11-1919, R.C.M. 1947, is amended  
3 to read as follows:

4 "11-1919. State auditor to pay fire department relief  
5 association out of premium taxes collected from insurance  
6 companies. (1) At the end of the fiscal year, the state  
7 auditor shall issue and deliver to the treasurer of every  
8 city or town of the first and second class, for the use and  
9 benefit of the fire department relief association legally  
10 existing in ~~every such the~~ city or town, ~~entitled by law to~~  
11 ~~receive the same, out of the premium taxes on insurance~~  
12 ~~risks enumerated in subsection (6) collected by him,~~ an  
13 amount equal to ~~ten per centum (10%)~~ of the total annual  
14 compensation paid by such city or town to its paid or  
15 part-paid firemen for services in the previous calendar  
16 year. This amount is paid out of the premium taxes on  
17 insurance risks enumerated in subsection (6) and collected  
18 by the state auditor. The city clerk of each such city or  
19 town shall certify in writing to the state auditor, on or  
20 before April 1 of each year, the amount so paid by such ~~the~~  
21 city or town as compensation for services to paid or  
22 part-paid firemen.

23 (2) ~~In the event of a disaster resulting in the death~~  
24 ~~or injury sufficient to draw pension of ten percent (10%) of~~  
25 ~~the active force~~ When 10% of the active force, due to a

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

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

24 (4) At the end of the fiscal year, the state auditor  
25 shall issue and deliver to the treasurer of every city or

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

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

25 (6) The risks referred to in subsection (4) above, are

1 ~~enumerated as follows:~~

2 (a) ~~Insurance ins~~ urance of houses, buildings, and all  
 3 ~~other kinds of~~ property and goods against loss or damage by  
 4 fire or other casualty; ~~and all kinds of insurance on~~  
 5 ~~goods, merchandise, or other property in the course of~~  
 6 ~~transportation, whether on land or water or air;~~

7 (b) insurance against loss or damage to motor vehicles  
 8 resulting from accident, collision, or marine and inland  
 9 navigation and transportation perils;

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

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

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

20 (f) insurance against theft of the whole or any part  
 21 of any vehicle."

22 Section 27. Section 11-2201, R.C.M. 1947, is amended  
 23 to read as follows:

24 "11-2201. Special improvements — powers of city  
 25 council. (1) All streets, alleys, places, or courts in the

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

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

- 15 ~~(1)(a)~~ Establish ~~establish~~ pedestrian malls;
- 16 ~~(2)(b)~~ Prohibit ~~prohibit~~, in whole or in part,  
 17 vehicular traffic on a pedestrian mall;
- 18 ~~(3)(c)~~ Pay ~~pay~~, from general funds of the municipality  
 19 or other available moneys or from the proceeds of  
 20 assessments levied on lands benefited by the establishment  
 21 of a pedestrian mall, the damages, if any, allowed or  
 22 awarded to any property owner by reason of the establishment  
 23 of a pedestrian mall, ~~provided that the~~ The resolution of  
 24 intention ~~contains~~ must contain a statement that an  
 25 assessment will be levied to pay the whole or a stated

1 portion of such damages, if any, allowed or awarded to any  
 2 property owner by reason of the establishment of such  
 3 pedestrian mall;

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

25 ~~(4)(3)~~ ~~It is further provided that in addition to the~~

1 ~~purposes for which an improvement district may be formed, as~~  
 2 ~~heretofore set forth, an~~ An improvement district may also be  
 3 formed for the sole purpose of ~~the operation, maintenance,~~  
 4 ~~repair and improvements of~~ operating, maintaining,  
 5 repairing, and improving pedestrian malls, off-street  
 6 parking facilities, and parkings and parkways.

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

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

25 ~~(d)(6)~~ The governing body shall make annual statements

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

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

24 ~~(5)(B)~~ Create ~~The governing body may create~~ special  
 25 lighting districts on any street or streets or public

1 highway ~~therein or portions thereof~~ for the purposes of  
 2 lighting ~~such street or streets or public highway and is~~  
 3 ~~hereby empowered to then and~~ assess ~~such the~~ costs for  
 4 installation and maintenance to property abutting thereto  
 5 and to collect ~~such the~~ costs by special assessment against  
 6 said ~~the~~ property.

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

17 Section 28. Section 11-2205, R.C.M. 1947, is amended  
 18 to read as follows:

19 "11-2205. Assessment of extended district including  
 20 lots not fronting on improvement. Whenever the contemplated  
 21 work of improvement, in the opinion of the city council, is  
 22 of more than local or ordinary public benefit, or whenever,  
 23 according to estimates furnished by the city engineer, the  
 24 total estimated costs and expenses thereof would exceed  
 25 one-half  $\frac{1}{2}$  of the total assessed taxable value of the lots

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

12 Section 29. Section 11-2303, R.C.M. 1947, is amended  
 13 to read as follows:

14 "11-2303. Limitation on amount of indebtedness. No  
 15 city or town shall may issue bonds for any purpose in an  
 16 amount which, with all outstanding and unpaid indebtedness,  
 17 will exceed ~~five per centum (5%)~~ 16% of the assessed taxable  
 18 value of the ~~taxable~~ property therein subject to taxation,  
 19 to be ascertained by the last assessment for state and  
 20 county taxes, ~~provided, however, that for~~ for the purpose  
 21 of constructing a sewerage system, ~~or~~ procuring a water  
 22 supply, or constructing or acquiring a water system for a  
 23 city or town, which shall own and control ~~such the~~ water  
 24 supply and water system and devote the revenues therefrom to  
 25 the payment of the debt, a city or town may incur an

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

17 Section 30. Section 11-3921, R.C.M. 1947, is amended  
 18 to read as follows:

19 "11-3921. Allocation of taxes. (1) Any urban renewal  
 20 plan, as defined in ~~section~~ 11-3901, may contain a provision  
 21 or be amended to contain a provision providing that taxes  
 22 levied on taxable property in an urban renewal area each  
 23 year by or for the benefit of the state, any city, county,  
 24 or other political subdivisions for which taxes are levied,  
 25 ~~(hereafter referred to as taxing bodies)~~ shall be allocated,

1 after the effective date of such provision as provided in  
 2 subsections (3) and (4) of this section.

3 (2) For the purposes of this section,:

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

13 (b) the word "taxes" includes, but is not limited to,  
 14 all levies on an ad valorem basis upon land or real  
 15 property;

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

18 (3) The portion of taxes produced by levies ~~for a~~  
 19 ~~taxing body~~ upon the total sum of the prior assessed taxable  
 20 value of the ~~taxable~~ property in the urban renewal area  
 21 subject to taxation shall be allocated and paid into the  
 22 funds of the taxing body like taxes paid by or for the  
 23 taxing body on all other property. For the purpose of  
 24 allocating taxes levied by a taxing body that did not  
 25 include the urban renewal area on the effective date of the



1 provision allocating the taxes but to which the urban  
 2 renewal area has since been annexed or otherwise included,  
 3 the assessment roll of the county last equalized prior to  
 4 the effective date of the provision shall be used in  
 5 determining the prior ~~assessed~~ taxable value.

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

20 (5) The portion of taxes allocated in subsection (4)  
 21 above, and the special fund into which they are paid, may be  
 22 pledged by a municipality for the payment of the principal  
 23 and interest on bonds issued under the authority of ~~section~~  
 24 11-3910, or bonded indebtedness, incurred by a municipality  
 25 to refinance in whole or in part, the urban renewal project.

1 Prior to the sale of any bonds, there shall be ~~an~~ an  
 2 election under ~~sections~~ 11-2308 and 11-2309 approving such  
 3 sale, or ~~by~~ a petition for the sale signed by the owners of  
 4 record of at least ~~fifty-one percent~~ (51%) of the land  
 5 within the urban renewal district.

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

10 Section 31. Section 11-4111, R.C.H. 1947, is amended  
 11 to read as follows:

12 "11-4111. Levy authorized — uses — restrictions. (1)  
 13 Upon an affirmative vote of a majority of the qualified  
 14 voters voting in a city, county, or town on the question of  
 15 whether the governing body may levy a tax for economic  
 16 development, the governing body of that city, county, or  
 17 town is authorized to levy in any one election up to ~~one~~  
 18 ~~one~~ mill upon the ~~assessed~~ taxable value of all the ~~taxable~~  
 19 property in the county, city, or town subject to taxation  
 20 for the purpose of economic development, for a period not to  
 21 exceed ~~five~~ (5) years, ~~by any one election~~.

22 (2) Funds derived from this levy may be used for  
 23 purchasing land for industrial parks, constructing buildings  
 24 to house manufacturing and processing operations, conducting  
 25 preliminary feasibility studies, promoting economic

1 development opportunities in a particular area, and other  
2 activities generally associated with economic development.  
3 These funds may not be used to directly assist an industry's  
4 operations by loan or grant ~~see or~~ to pay the salary or  
5 salary supplements of government employees.

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

11 Section 32. Section 14-307, R.C.M. 1947, is amended to  
12 read as follows:

13 "14-307. Lien of corporate indebtedness upon  
14 membership lands. ~~From and after~~ after the date of the  
15 inclusion of any land or property as a member ~~thereof~~ in any  
16 corporation, or district, organized under the provisions  
17 ~~hereof of this section~~, all mortgage or bonded indebtedness  
18 ~~thereafter~~ created by such corporation, or district, ~~shall~~  
19 ~~be deemed is~~ a first lien upon ~~such the~~ membership lands, to  
20 ~~the an~~ extent of not to exceed ~~five per cent~~ 18% of the  
21 ~~assessed valuation taxable value~~ thereof if the ~~case shall~~  
22 ~~be land is~~ grazing or agricultural, and not to exceed ~~ten~~  
23 ~~per cent~~ 36% of the ~~assessed valuation taxable value~~ thereof  
24 if the ~~case shall be land is~~ horticultural or  
25 vegetable-producing lands. The recording of the copy of the

1 articles of incorporation, or petition to become a member of  
2 such corporation, or district, ~~shall be is~~ notice to all  
3 subsequent lien claimants that ~~seek the~~ lands are subject to  
4 a first lien, ~~of not to exceed the amount specified herein,~~  
5 ~~provided, However,~~ nothing ~~herein shall in this section may~~  
6 be construed as placing a limit upon the indebtedness that  
7 may be made a lien against any of the corporate or property  
8 assets of the corporation, or district, as distinguished  
9 from membership lands individually owned, ~~and included~~  
10 ~~therein for the purposes hereof."~~

11 Section 33. Section 16-502, R.C.M. 1947, is amended to  
12 read as follows:

13 "16-502. Basis of taxation upon creation of new county  
14 — terms used in law defined. For the purposes of this act,  
15 the assessed valuation of all property, whether included  
16 within the boundaries of a proposed new county, or remaining  
17 within the boundaries of any existing county or counties  
18 from which territory is taken, shall be fixed and determined  
19 on the same basis as is used for the imposition of taxes in  
20 the state of Montana, ~~to wit: By taking that percentage of~~  
21 ~~the true and full value of all taxable property in any~~  
22 ~~county specified by section 84-302.~~

23 ~~Whenever in this act the term "assessed valuation" or~~  
24 ~~"valuation based on the last assessment roll" is used, said~~  
25 ~~terms shall be construed as meaning taxable valuation~~

1 ~~determined as herein provided, not the full and true~~  
 2 ~~valuation of property."~~

3 Section 34. Section 16-807, R.C.M. 1947, is amended to  
 4 read as follows:

5 "16-807. Limit of indebtedness. No county may become  
 6 indebted in any manner or for any purpose to an amount,  
 7 including existing indebtedness, in the aggregate exceeding  
 8 ~~five per centum 18%~~ of the assessed taxable value of the  
 9 taxable property therein subject to taxation, to be as  
 10 ascertained by the last assessment for state and county  
 11 taxes previous to the incurring of such indebtedness, and  
 12 all all bonds or obligations in excess of such amount given  
 13 by or on behalf of ~~such the~~ county are void. No county may  
 14 incur ~~any~~ indebtedness or liability for any single purpose  
 15 to an amount exceeding ~~forty thousand dollars (\$40,000)~~  
 16 without the approval of a majority of the electors thereof  
 17 voting at an election to be provided by law, except as  
 18 provided in ~~sections~~ 16-1407.1 and 16-1407.2."

19 Section 35. Section 16-808, R.C.M. 1947, is amended to  
 20 read as follows:

21 "16-808. Counties indebted beyond constitutional limit  
 22 may operate on cash basis. ~~That is~~ In case the total  
 23 indebtedness of a county, lawful when incurred, ~~by reason of~~  
 24 ~~great diminution of assessed value~~ exceeds the limit of five  
 25 ~~per centum (5%) 18%, by reason of great diminution of~~

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

17 Section 36. Section 16-1152, R.C.M. 1947, is amended  
 18 to read as follows:

19 "16-1152. Tax levy for payment of warrants. The board  
 20 of county commissioners shall annually determine the amount  
 21 of ~~each the~~ warrants drawn on the general fund for the  
 22 purposes of controlling insect pests under a cropland  
 23 spraying program approved by the department of agriculture,  
 24 and In the succeeding year, the board shall levy a tax for  
 25 the purpose of insect pest extermination sufficient ~~in~~

1 amount to reimburse ~~said the~~ general fund for the money so  
 2 paid out on ~~each the~~ warrants, ~~which said The~~ tax shall be  
 3 levied upon all the property in the county and shall not  
 4 exceed ~~three (3)~~ mills on each dollar of ~~assessed valuation~~  
 5 taxable value. If there ~~be is~~ no money in the general fund  
 6 with which to pay such warrants, they shall be registered  
 7 and bear interest in the same manner as other county  
 8 warrants, ~~but in such~~ In this case the interest shall be  
 9 computed and added to the amount for which such tax is  
 10 levied."

11 Section 37. Section 16-1412, R.C.M. 1947, is amended  
 12 to read as follows:

13 "16-1412. Budget for district fairs — consideration  
 14 by county commissioners — tax levy — district fair fund —  
 15 expenditures. (1) ~~aside from the revenue derived from~~  
 16 ~~annual fairs or other exhibitions conducted, the necessary~~  
 17 ~~revenue shall be raised as follows: The~~ To raise the revenue  
 18 necessary to hold district fairs, the board of directors  
 19 shall meet during the first week of May of each year, and  
 20 shall make a budget of the amounts required in the conduct  
 21 of the affairs of the district, for the following year, and  
 22 The board shall deduct ~~therefrom~~ from the budget the  
 23 probable income from the annual district fair and other  
 24 exhibitions to be held by ~~said the~~ district during the  
 25 following year, and shall then apportion the remaining

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

23 (2) If the county commissioners shall fail to hold  
 24 ~~such the~~ joint meeting, or shall fail to take any action,  
 25 then the budget, certified by the secretary of the fair

1 district shall be, without further action, ~~deemed~~ approved,  
 2 and the sums of money apportioned to the county shall be the  
 3 sums to be raised by special levy for ~~said~~ this purpose. For  
 4 the purpose of raising the ~~afesaid~~ revenues, the board of  
 5 county commissioners of each county in the district shall  
 6 annually make a levy to raise the required sum apportioned  
 7 to the respective counties, ~~provided however that~~ However,  
 8 the ~~said~~ levy shall not exceed ~~one (1)~~ mill on the dollar of  
 9 the ~~assessed valuation~~ taxable value of all the taxable  
 10 property in the county, ~~except in the case of the county in~~  
 11 ~~which the fair is being conducted,~~ ~~in which~~ In this county,  
 12 the levy shall not exceed ~~one and one-half (1 1/2)~~ mills on  
 13 the dollar of taxable property in the county, ~~in~~ In  
 14 addition ~~thereto~~ to this levy, any and all moneys available  
 15 ~~to~~ for the holding of county fairs may be allotted and  
 16 transferred to the use of the district fair as the  
 17 respective county fair commissioners may elect, ~~the~~ The  
 18 funds available to a district fair shall, on the first  
 19 Monday in August or as soon thereafter as may be possible,  
 20 be deposited with the county treasurer of the county in  
 21 which the district fair is to be held and ~~by his and~~  
 22 credited to a fund to be known as the district fair fund,  
 23 held and paid out in the same manner as the county fair  
 24 fund, except that it shall be paid out on district fair  
 25 board warrants signed by the chairman or the vice-chairman

1 and the secretary of the district fair board, ~~provided that~~  
 2 ~~the~~ The treasurer of the county in which the district fair  
 3 ~~shall will~~ be held shall carry the moneys received from the  
 4 various counties in the district in the regular county fair  
 5 fund in the same manner as regular county fair moneys,  
 6 payable, however, only on district fair warrants."

7 Section 38. Section 16-2010.1, R.C.M. 1947, is amended  
 8 to read as follows:

9 "16-2010.1. Limit on city-county consolidated  
 10 indebtedness. No city-county consolidated local government  
 11 may issue bonds for any purpose which, with all outstanding  
 12 indebtedness, ~~will may exceed seven and one-half percent (7~~  
 13 ~~1/2%)~~ 27% of the assessed taxable value of the ~~taxable~~  
 14 property therein subject to taxation, ~~to be as~~ ascertained  
 15 by the last assessment for state and county taxes, ~~provided, however, that~~ However,  
 16 for the purpose of  
 17 constructing a sewerage system or procuring a water supply  
 18 or constructing or acquiring a water system for a  
 19 city-county consolidated government, which shall own and  
 20 control such water supply and water system and devote the  
 21 revenues therefrom to the payment of the debt, a city-county  
 22 consolidated government may incur an additional indebtedness  
 23 by borrowing money or issuing bonds. The additional  
 24 indebtedness, which may be incurred by borrowing money or  
 25 issuing bonds for the construction of a sewerage system, or

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

13 Section 39. Section 16-4020, R.C.M. 1947, is amended  
 14 to read as follows:

15 "16-4020. Disposal of property — leasing — sale. (1)  
 16 Each county to which any part of an abandoned and abolished  
 17 county is attached ~~and made a part and becoming~~ becomes the  
 18 owner under the provisions of this act of the real and any  
 19 tangible personal property of ~~an~~ the abandoned and abolished  
 20 county and may use all of ~~such~~ this property for county  
 21 purposes, ~~or~~ may lease any of ~~such~~ this real estate, or may  
 22 sell any of ~~such~~ the real estate or personal property.

23 ~~(2) provided that no such~~ No personal property having  
 24 a value in excess of ~~one hundred dollars (\$100.00)~~ shall be  
 25 ~~sold unless the same~~ may be sold unless it has been

1 appraised within ~~one~~ 1 year immediately prior to the date of  
 2 sale by three taxpayers, ~~residing~~ who reside within the  
 3 territory ~~embraced within the boundaries~~ of the abandoned  
 4 and abolished county, and who were appointed by the judge of  
 5 the district court to which the county succeeding to the  
 6 ownership of ~~such~~ the property is attached, on petition of  
 7 the board of county commissioners thereof, ~~and no~~ No sale  
 8 of any ~~such~~ personal property shall may be made except at  
 9 public sale after notice or for a price less than ~~ninety per~~  
 10 ~~centus (90%)~~ of ~~such~~ the appraised value.

11 ~~(3) (3)~~ No ~~such~~ real property shall may be leased  
 12 unless the board of county commissioners ~~shall present~~  
 13 presents to the judge of the district court to which the  
 14 county is attached a petition describing the real estate,  
 15 with any improvements thereon, and setting forth the terms  
 16 of the proposed lease, ~~and the same~~ The petition shall be  
 17 approved by ~~such~~ the judge, ~~which approval shall be endorsed~~  
 18 ~~on such petition~~ and filed in the office of the clerk of  
 19 ~~said~~ the county.

20 ~~(3) (4)~~ No real estate shall may be sold by ~~said~~ the  
 21 board of county commissioners unless the ~~same~~ property has  
 22 been appraised within ~~one~~ 1 year immediately prior to the  
 23 date of sale by three taxpayers ~~residing~~ who reside within  
 24 the territory ~~embraced within the boundaries~~ of the  
 25 abandoned and abolished county, and who were appointed by

1 the judge of the district court to which the county is  
 2 attached, on petition of the board of county commissioners  
 3 of such county, ~~and every such~~ Every sale of real estate  
 4 shall be made at public sale, and notice ~~of such sale~~ shall  
 5 be published once a week for at least two weeks immediately  
 6 prior to the date for holding the same, in the official  
 7 newspaper of the county, and no such real estate shall be  
 8 sold for a price less than ninety per centum (90%) of the  
 9 appraised value thereof.

10 ~~(4)(5)~~ The full purchase price of any real estate so  
 11 sold shall not be required to be made in one payment but the  
 12 purchaser thereof may pay the same in four installments, the  
 13 first of which shall be not less than twenty five per centum  
 14 (25%) of the purchase price to be paid at the time of  
 15 purchase, the remainder to be paid in three equal annual  
 16 installments with interest thereon at not less than five per  
 17 centum (5%) per annum. All real estate sold, with any  
 18 improvements thereon, shall be subject to assessment and  
 19 taxation annually to the purchaser or his successor in  
 20 interest, at a value equal to the amount paid on the  
 21 purchase price thereof until the purchase price is fully  
 22 paid when such real estate shall be assessed at its full  
 23 cash value, and any and all improvements placed on any such  
 24 real estate, after its purchase, shall be subject to  
 25 assessment and taxation at the full cash value thereof.

1 Whenever the purchase price of any real estate is to be paid  
 2 in installments the board of county commissioner shall enter  
 3 into a contract with the purchaser thereof and such contract  
 4 shall be recorded in the office of the county clerk. When  
 5 payment in full has been made for any personal property or  
 6 real estate the chairman of the board of county  
 7 commissioners shall execute and deliver the proper bill of  
 8 sale or deed to the purchaser or his successor in interest.

9 ~~(5)(6)~~ The compensation of all appraisers appointed  
 10 under the provisions of this section shall be fixed by the  
 11 district judge appointing the same. Moneys received from  
 12 leases or sales of real or personal property by any county  
 13 other than the county designated in the petition for  
 14 abandonment as the county to which the territory of the  
 15 abandoned county is to be allocated shall be transmitted by  
 16 the officers of such counties to the treasurer of the county  
 17 designated in such petition for abandonment.

18 ~~(6)(7)~~ All moneys received from the sales of personal  
 19 property and from the leasing or sales of real estate, after  
 20 deducting therefrom the amounts paid appraisers and for  
 21 publishing notices of sale, shall be used and applied as  
 22 follows:

23 If there are any warrants issued and outstanding  
 24 against any of the funds of the abandoned and abolished  
 25 county, such moneys shall be applied in payment of such

1 warrants and interest;

2 (b) if there are no ~~such~~ warrants outstanding but  
3 district bonds have been issued under the provisions of  
4 subdivision (b) of section 16-4016, then ~~such~~ the moneys  
5 shall be deposited in the sinking and interest fund for ~~such~~  
6 district ~~bond~~ bonds;

7 (c) if there ~~be~~ are no ~~such~~ district bonds  
8 outstanding, then ~~such~~ the moneys shall be deposited to the  
9 credit of the sinking and interest funds for bonds issued  
10 and outstanding when the abandoned and abolished county  
11 ceased to exist, and

12 (d) if there ~~be~~ are no ~~such~~ bonds outstanding and  
13 ~~unpaid~~, then ~~such~~ the moneys shall be apportioned to all of  
14 the counties to which parts of the abandoned county were  
15 attached in the proportion which the ~~assessed-valuation~~  
16 taxable value of the property in each ~~such~~ part on ~~the first~~  
17 ~~day of~~ January 1 immediately preceding the abandonment bears  
18 to the ~~assessed-valuation~~ taxable value of all the property  
19 in ~~such~~ the abandoned county, and The apportioned moneys  
20 shall be deposited in ~~such~~ the funds of ~~such~~ each county as  
21 the boards of county commissioners of ~~such~~ the counties may  
22 direct."

23 Section 40. Section 32-3107, R.C.M. 1947, is amended  
24 to read as follows:

25 "32-3107. Report of county road superintendent —

1 order creating district. (1) At the next annual meeting of  
2 the board after the road superintendent has completed  
3 surveying the road and making estimates, he shall make a  
4 detailed report. ~~(a)~~ The report shall state that the maps,  
5 descriptions, plans, specifications, and details and  
6 estimates of damages, costs, and expenses have been  
7 completed.

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

14 (3) That order shall create the local improvement  
15 district to be known and designated as local improvement  
16 district No. .... in .... county, Montana. Copies of the  
17 report shall be kept in the offices of the board and road  
18 superintendent."

19 Section 41. Section 46-1914, R.C.M. 1947, is amended  
20 to read as follows:

21 "46-1914. Levy of tax for purpose of paying for  
22 destruction of wild animals — limitation on levy. The  
23 department of revenue shall annually prescribe the levy  
24 recommended by the department to be made against livestock  
25 of all classes, for paying for the destruction of wild



1 animals killed in this state. The tax in any one year may  
 2 not exceed ~~one and one half (1 1/2)~~ 4.5 mills on the  
 3 ~~assessed valuation~~ taxable value of the livestock. The money  
 4 received shall be used only for the payment of claims for  
 5 the destruction of wild animals and for the administration  
 6 of this act, approved by the department. The money received  
 7 for the taxes levied shall be sent annually with other taxes  
 8 ~~for state purposes~~ to the state treasurer by the county  
 9 treasurer of each county, ~~and when~~ When the money is  
 10 received by the state treasurer, it shall be placed in the  
 11 earmarked revenue fund, ~~and the money~~ may then be paid out  
 12 on claims approved under the law governing the payment of  
 13 claims."

14 Section 42. Section 53-114, R.C.M. 1947, is amended to  
 15 read as follows:

16 "53-114. Application for registration of motor  
 17 vehicles and payment of license fees thereon -- assessment  
 18 of motor vehicles in the stock of licensed motor vehicle  
 19 dealers as merchandise. (1) Every owner of a motor vehicle  
 20 operated or driven upon the public highways of this state  
 21 shall, for each motor vehicle owned, except as herein  
 22 otherwise expressly provided, file, or cause to be filed, in  
 23 the office of the county treasurer ~~wherein~~ where each the  
 24 motor vehicle is owned or taxable, an application for  
 25 registration, or reregistration, upon a blank form to be

1 prepared and furnished by the registrar of motor vehicles, 1  
 2 ~~which~~ The application shall contain:

3 (a) ~~Name name~~ and address of owner, giving county,  
 4 school district, and town or city within whose corporate  
 5 limits the motor vehicle is taxable; 1

6 (b) ~~Name name~~ and address of conditional sales vendor,  
 7 mortgagee, or holder of other lien against ~~said the~~ motor  
 8 vehicle, with statement of amount owing under such contract  
 9 or lien; 1

10 (c) ~~Description~~ description of motor vehicle,  
 11 including make, year model, engine or serial number,  
 12 manufacturer's model or letter, gross weight, type of body, 1  
 13 and, if truck, the rated capacity; 1

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

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

18 (2) ~~Whoever~~ A person who files an application for  
 19 registration or reregistration of a motor vehicle, 1 except of  
 20 a mobile home as defined in ~~section~~ 84-101, R.C.M., 1947,  
 21 shall before filing such application with the county  
 22 treasurer submit the same to the county assessor of ~~said the~~  
 23 county, and said the county assessor shall enter on ~~said the~~  
 24 application in a space to be provided for that purpose, the  
 25 ~~full and true and the assessed valuation~~ market value AND

1 TAXABLE VALUE of ~~said the~~ vehicle for the year for which  
 2 ~~said the~~ application for registration is made.

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

20 (4) The amount of taxes on ~~said the~~ motor vehicle,  
 21 except a mobile home as defined in ~~section 84-101, R.C.M.,~~  
 22 ~~1947, shall be~~ is computed and determined by the county  
 23 treasurer on the basis of the levy of the year preceding the  
 24 current year of application for registration or  
 25 reregistration, ~~and such~~ The determination ~~shall be~~ is

1 entered on the application form in a space provided  
 2 therefor.

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

13 (6) The applicant for original registration of any  
 14 wholly new and unused motor vehicle, except a mobile home as  
 15 defined in ~~section 84-101, R.C.M., 1947,~~ acquired by  
 16 original contract after ~~the first day of~~ January 1 of any  
 17 year shall be required, whenever such vehicle has not been  
 18 otherwise assessed, to pay the motor vehicle sales tax  
 19 provided by ~~section 32-3315, R.C.M., 1947,~~ irrespective of  
 20 whether ~~or not such the~~ vehicle was in the state of Montana  
 21 on ~~the first day of~~ January 1 of ~~such the~~ year.

22 (7) Upon accepting application for registration or  
 23 reregistration of any motor vehicle which is subject to  
 24 taxation in this state on January 1 in any year, and upon  
 25 payment of taxes, the county treasurer shall stamp on ~~said~~

1 the application: "taxes on this vehicle due January 1 of  
 2 current year paid by applicant, prior applicant, or owner,  
 3 and this vehicle is eligible for registration." Upon  
 4 accepting application for registration of any motor vehicle  
 5 which was not subject to taxation in this state on January  
 6 ~~1st~~ 1 in any year, the county treasurer shall indicate ~~such~~  
 7 the fact by proper entry on ~~said~~ the application.

8 (8) The registrar of motor vehicles ~~shall have~~  
 9 ~~authority to~~ may make proper entry of the payment of taxes  
 10 in accord with the facts on any certificate of title to ~~any~~  
 11 a motor vehicle respecting payment of taxes in accord with  
 12 the facts.

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

17 Section 43. Section 53-1025, R.C.M. 1947, is amended  
 18 to read as follows:

19 "53-1025. Display of tax-paid decals on snowmobiles  
 20 required — application and issuance. ~~(1)~~ (1) No snowmobile  
 21 ~~shall~~ may be operated by any person in the state of Montana  
 22 unless there is displayed in a conspicuous place ~~thereon~~ on  
 23 it a decal as visual proof that Montana personal property  
 24 taxes have been paid ~~thereon~~ on it for the current year.

25 (2) Application for the ~~issuance of such~~ tax-paid

1 decal shall be made to the county treasurer upon forms to be  
 2 furnished for this purpose, which may be obtained from the  
 3 registrar of motor vehicles or at the county assessor's  
 4 office in the county ~~wherein~~ where the owner resides, ~~and~~  
 5 ~~is to provide for substantially~~ The application shall  
 6 contain the following information:

- 7 (a) name of owner,;
- 8 (b) address,;
- 9 (c) registration number,;
- 10 (d) name of manufacturer,;
- 11 (e) model number,;
- 12 (f) make,;
- 13 (g) horsepower,;
- 14 (h) year of manufacture,;
- 15 (i) statement evidencing assessment, and payment of  
 16 property tax,; and
- 17 (j) such other information as the registrar of motor  
 18 vehicles may require.

19 (3) ~~Said~~ The application shall be signed by the county  
 20 treasurer and transmitted by him to the registrar of motor  
 21 vehicles accompanied by a fee of ~~two dollars~~ (\$2). All  
 22 moneys collected from payment of ~~such~~ the fees shall be  
 23 turned over to the state treasurer and placed ~~by him~~ in the  
 24 earmarked revenue fund to the credit of the state fish and  
 25 game commission, with ~~one dollar~~ (\$1) designated for use in

1 enforcing the purposes of this act and ~~one dollar~~ ~~(\$1)~~  
 2 designated for use in developing snowmobile facilities. Upon  
 3 receipt of the application in approved form, the registrar  
 4 of motor vehicles or county treasurer shall issue to the  
 5 applicant a decal in the style and design prescribed by the  
 6 registrar of motor vehicles and of a different color than  
 7 the preceding year, numbered ~~numerically~~ in sequence.

8 ~~(b)(4)~~ Before filing the application with the county  
 9 treasurer, the applicant shall submit ~~the same~~ it to the  
 10 county assessor of the county and the county assessor shall  
 11 enter on the application in a place provided for that  
 12 purpose, the ~~full and true~~ market ~~and assessed~~ ~~valuation~~  
 13 value AND TAXABLE VALUE of the snowmobile for the year for  
 14 which the application is made.

15 ~~(e)(5)~~ The applicant shall pay the county treasurer  
 16 the application fee and ~~shall also pay~~ the personal property  
 17 taxes assessed against the snowmobile for the current year  
 18 before the application for registration or reregistration  
 19 may be accepted by the county treasurer."

20 Section 44. Section 69-3504, R.C.M. 1947, is amended  
 21 to read as follows:

22 "69-3504. Identification number. ~~(a)(1)~~ The owner of  
 23 each motorboat requiring numbering by this state shall file  
 24 an application for number in the office of the county  
 25 treasurer ~~wherein~~ where the motorboat or vessel is owned or

1 taxable, on forms prepared and furnished by the registrar of  
 2 motor vehicles. The application shall be signed by the owner  
 3 of the motorboat and shall be accompanied by a fee of ~~one~~  
 4 ~~(\$1)~~ ~~dollar~~. Any alteration, change, or false statement  
 5 contained in the application for certificate of registration  
 6 will render the certificate of number null and void. Upon  
 7 receipt of the application in approved form, the county  
 8 treasurer shall issue to the applicant a certificate of  
 9 number prepared and furnished by the registrar of motor  
 10 vehicles, stating the number awarded to the motorboat and  
 11 the name and address of the owner. The number awarded must  
 12 be painted on or attached to each outboard side of the  
 13 forward half of the motorboat, or, if there are no such  
 14 sides, at a corresponding location on both outboard sides of  
 15 the foredeck of the motorboat ~~for which it is issued~~. The  
 16 number awarded shall read from left to right, in Arabic  
 17 numerals, in block characters of good proportion, ~~a minimum~~  
 18 ~~of~~ at least three ~~(3)~~ inches ~~in height~~ tall, excluding  
 19 border or trim, and of a color ~~which shall contrast~~ that  
 20 contrasts with the color of the background, and so  
 21 maintained as to be clearly visible and legible. The number  
 22 ~~shall may~~ not be placed on the obscured underside of the  
 23 flared bow where ~~the angle is such that the numbers it~~  
 24 cannot be easily seen from another vessel or ashore. No  
 25 numerals, letters, or devices other than those used in

1 connection with the identifying number issued ~~shall~~ may be  
 2 placed in the proximity of the identifying number, ~~and no~~  
 3 No numerals, letters, or devices which might interfere with  
 4 the ready identification of the motorboat by its identifying  
 5 number ~~shall~~ may be carried as to interfere with the  
 6 motorboat's identification. The certificate of number shall  
 7 be pocket size and ~~shall be~~ available to federal, state, or  
 8 local law enforcement officers at all reasonable times for  
 9 inspection on the motorboat ~~for which issued~~, whenever the  
 10 motorboat is on waters of this state, ~~except boat~~ Boat  
 11 livery are not required to have the certificate of number  
 12 on board each motorboat, ~~except that a~~ a rental agreement  
 13 must be carried on board livery motorboats in place of the  
 14 certificate of number.

15 ~~(b)(2)~~ (b)(2) Before filing ~~such~~ the application with the  
 16 county treasurer, the applicant shall submit ~~the same~~ it to  
 17 the county assessor of ~~said~~ the county and ~~said~~ the county  
 18 assessor shall enter on ~~said~~ the application in a space to  
 19 be provided for that purpose, ~~the full and true and assessed~~  
 20 valuation market value AND TAXABLE VALUE of ~~said~~ the vehicle  
 21 for the year for which ~~said~~ the application for registration  
 22 is made.

23 ~~(c)(3)~~ (c)(3) The applicant shall, upon the filing of the  
 24 application, pay to the county treasurer, the registration  
 25 fee and ~~shall also pay~~ the personal property taxes assessed

1 against the motorboat or vessel for the current year of  
 2 registration before the application for registration or  
 3 reregistration may be accepted by the county treasurer.

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

7 ~~(1)(B)~~ (1)(B) A dealer or manufacturer may apply directly to  
 8 the registrar of motor vehicles for one ~~(1)~~ identifying  
 9 number and one ~~(1)~~ or more certificates of number. A  
 10 dealer's or manufacturer's identifying number shall be  
 11 displayed on ~~a dealer's or manufacturer's~~ his boat while the  
 12 boat is operating for a purpose related to the buying,  
 13 selling, or exchanging of the boat by the dealer or  
 14 manufacturer. ~~(2)~~ The application for a dealer's or  
 15 manufacturer's identifying number shall include ~~the~~ his name  
 16 ~~of the dealer or manufacturer~~ and ~~the~~ business address of  
 17 ~~the dealer or manufacturer~~. Each dealer or manufacturer  
 18 shall will have one ~~(1)~~ identifying number assigned to his  
 19 business. ~~(3)~~ An application for dealer's or manufacturer's  
 20 identifying number and certificate of number shall must be  
 21 accompanied by the following fees:

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

24 ~~(4)(b)~~ (4)(b) for each additional certificate of number and  
 25 set of license decals applied for in any application, ~~two~~

1 ~~dollars~~ ~~(\$2)~~.

2 ~~(4)~~ (5) The registrar of motor vehicles shall issue  
3 certificates of number for the identifying number awarded to  
4 a dealer or manufacturer in the same manner as provided in  
5 ~~section~~ 69-3504(a), except that no boat shall be described  
6 in the certificate and each certificate shall state that the  
7 identifying number has been awarded to a dealer or  
8 manufacturer. A dealer's or manufacturer's certificate of  
9 number expires on April 30 of the year for which it is  
10 issued. ~~(5)~~ A dealer's or manufacturer's identifying number  
11 shall be displayed in the same manner as provided in ~~section~~  
12 69-3504(a) of this act, except that the number may be  
13 temporarily attached, and that the last three ~~(3)~~ letters  
14 shall be "DLR" for dealer and "MFR" for manufacturer, ~~these~~  
15 These letters shall be included, respectively, in dealer or  
16 manufacturer identification numbers only. ~~(6)~~ No person  
17 other than a dealer or manufacturer or an employee of a  
18 dealer or manufacturer shall display or use a dealer's or  
19 manufacturer's identifying number. A dealer's or  
20 manufacturer's identifying number may be displayed only on  
21 motorboats owned by the dealer or manufacturer. ~~(7)~~ No  
22 dealer or manufacturer or employee of a dealer or  
23 manufacturer ~~shall~~ may use a dealer's or manufacturer's  
24 identifying number for any purpose other than the purpose  
25 described in subsection ~~(4)~~ (4) of this section.

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

12 ~~(f)~~ (7) Should the ownership of a motorboat change,  
13 ~~within a reasonable time~~ a new application form with fee  
14 shall be filed within a reasonable time with the county  
15 treasurer and a new certificate of number ~~shall be~~ awarded  
16 in the same manner as provided for in an original award of  
17 number.

18 ~~(g)~~ (8) If an agency of the United States government  
19 has in force ~~an~~ ever-all a comprehensive system of  
20 identification numbering for motorboats in the United  
21 States, the numbering system employed pursuant to this act  
22 by the registrar of motor vehicles shall be in conformity  
23 ~~therewith~~.

24 ~~(h)~~ (9) Every certificate of number and the license  
25 decals awarded under this act shall continue in effect for a

1 period not to exceed ~~one~~ (1) year, unless sooner terminated  
 2 or discontinued in accordance with the provisions of this  
 3 act. Certificates of number and license decals shall show  
 4 the date of expiration ~~thereon~~ and may be renewed by the  
 5 owner in the same manner provided for in the initial  
 6 securing of the certificate.

7 ~~(\*)~~ (10) Certificates of number ~~decals~~ shall expire on  
 8 April 30 of each ~~calendar~~ year and ~~shall no longer may not~~  
 9 be ~~of any~~ in effect unless renewed under this act.

10 ~~(\*)~~ (11) In event of transfer of ownership, the  
 11 purchaser shall furnish the county treasurer notice within  
 12 reasonable time of the acquisition of all or any part of his  
 13 interest, other than the creation of a security interest, in  
 14 a motorboat numbered in this state ~~under this section~~, or of  
 15 the loss, theft, destruction, or abandonment of the  
 16 motorboat, ~~within reasonable time thereof. such~~ The  
 17 transfer, loss, theft, destruction, or abandonment ~~shall~~  
 18 ~~terminate~~ terminates the certificate of number for the  
 19 motorboat, ~~except that in the case of a recovery~~ Recovery  
 20 from theft, or transfer of a part interest ~~which that~~ does  
 21 not affect the owner's right to operate the motorboat, ~~the~~  
 22 ~~recovery or transfer~~ does not terminate the certificate of  
 23 number.

24 ~~(\*)~~ (12) A holder of a certificate of number shall  
 25 notify the county treasurer within reasonable time if his

1 address no longer conforms to the address appearing on the  
 2 certificate and ~~shall, as a part of the notification,~~  
 3 furnish the county treasurer with his new address. The  
 4 registrar of motor vehicles ~~may provide in its~~ bureau rules  
 5 for the surrender of the certificate bearing the former  
 6 address and its replacement with a certificate bearing the  
 7 new address or the alteration of an outstanding certificate  
 8 to show the new address of the holder.

9 ~~(\*)~~ (13) No number other than the number and license  
 10 decal awarded to a motorboat or granted reciprocity under  
 11 this act, shall be painted, attached, or otherwise displayed  
 12 on either side of the forward half of the motorboat.

13 ~~(\*)~~ (14) Fees collected under this section shall be  
 14 transmitted to the state treasurer who shall deposit the  
 15 fees in the motorboat certificate identification account of  
 16 an earmarked revenue fund. These fees shall be used only for  
 17 the administration and enforcement of ~~sections~~ 69-3501  
 18 through 69-3518.

19 ~~(\*)~~ (15) An owner of a motorboat must within reasonable  
 20 time notify the registrar of motor vehicles, giving the  
 21 motorboat's identifying number and the owner's name, ~~within~~  
 22 ~~reasonable time~~, when that motorboat becomes documented as a  
 23 vessel of the United States, or is transferred, lost,  
 24 destroyed, abandoned, frauded, or within ~~sixty~~ (60) days  
 25 after change of state of principal use."

1 Section 45. Section 75-7104, R.C.M. 1947, is amended  
2 to read as follows:

3 "75-7104. Limitations on amount of bond issue. (1) The  
4 maximum amount for which each school district shall may  
5 become indebted by the issuance of bonds, including all  
6 indebtedness represented by outstanding bonds of previous  
7 issues and registered warrants, is ~~eight percent (8%)~~ 29% of  
8 the assessed taxable value of the ~~taxable~~ property ~~therein~~  
9 subject to taxation as ascertained by the last completed  
10 assessment for state, county, and school taxes previous to  
11 the incurring of such indebtedness. The ~~eight percent (8%)~~  
12 29% maximum, however, shall may not pertain to indebtedness  
13 imposed by special improvement district obligations or  
14 assessments against the school district. All bonds issued  
15 in excess of such amount shall be null and void, except as  
16 provided in ~~subsection (2)~~ this section.

17 (2) When the total indebtedness of a school district  
18 has reached the ~~eight percent (8%)~~ 29% limitation prescribed  
19 in this section, ~~such the~~ school district ~~shall have the~~  
20 ~~power and authority to~~ may pay all reasonable and necessary  
21 expenses of the school district on a cash basis in  
22 accordance with the financial administration provisions of  
23 this ~~title~~ chapter. Whenever bonds are issued for the  
24 purpose of refunding bonds, any moneys to the credit of the  
25 debt service fund for the payment of the bonds to be

1 refunded ~~shall be~~ are applied towards the payment of such  
2 bonds and the refunding bond issue ~~shall be~~ is decreased  
3 accordingly.

4 ~~(2)(3)~~ In ~~the case of~~ a school district within which a  
5 new major industrial facility which seeks to qualify for  
6 taxation as class ~~seven (7)~~ EIGHTEEN property under ~~section~~  
7 ~~84-301, R.C.M. 1947, 84-301, 84-301.9~~ 84-301.19 is being constructed  
8 or is about to be constructed, the school district may  
9 require, as a precondition of the new major industrial  
10 facility qualifying as class ~~seven (7)~~ EIGHTEEN property,  
11 that the owners of the proposed industrial facility enter  
12 into an agreement with the school district concerning the  
13 issuing of bonds in excess of the ~~eight percent (8%)~~ 29%  
14 limitation prescribed in ~~subsection one (1)~~ this section.  
15 Under such an agreement, the school district ~~may,~~ with the  
16 approval of the voters, issue bonds which exceed the  
17 limitation prescribed in ~~subsection one (1)~~ this section by  
18 a maximum of ~~eight percent (8%)~~ 29% of the estimated  
19 assessed taxable value of the ~~taxable~~ property of the new  
20 major industrial facility subject to taxation when  
21 completed. The estimated ~~assessed taxable~~ value of the  
22 ~~taxable~~ property of the new major industrial facility  
23 subject to taxation shall be computed by the department of  
24 revenue when requested to do so by a resolution of the board  
25 of trustees of the school district, ~~and a~~ and a copy of the



1 department's statement of estimated ~~assessed~~ taxable value  
 2 shall be printed on each ballot used to vote on a bond issue  
 3 proposed under this ~~subsections~~ section.

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

25 (5) A major industrial facility is a facility, subject

1 to the taxing power of the school district, whose  
 2 construction or operation will increase the population of  
 3 the district, ~~so as to impose~~ imposing a significant burden  
 4 upon the resources of the district and ~~to require~~ requiring  
 5 construction of new school facilities. A significant burden  
 6 is an increase in AFB of at least ~~twenty percent~~ ~~(20%)~~ in a  
 7 single year."

8 Section 46. Section 75-8104, R.C.M. 1947, is amended  
 9 to read as follows:

10 "75-8104. Requirements for organization of community  
 11 college district. The registered electors in any area of the  
 12 state of Montana may request an election for the  
 13 organization of a community college district where the  
 14 proposed community college district conforms to the  
 15 following requirements:

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

19 (2) The ~~assessed-valuation~~ taxable value of the  
 20 proposed area is at least ~~thirty million dollars~~  
 21 ~~(\$30,000,000)~~ \$10 million.

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

25 Section 47. Section 84-101, R.C.M. 1947, is amended to

1 read as follows:

2 "84-101. Definition of terms. ~~Whenever the~~ When terms  
3 mentioned in this section are ~~employed in dealing with the~~  
4 subject of used in connection with taxation, they are  
5 ~~employed in the sense hereafter affixed to them,~~ defined in  
6 the following manner:

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

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

16 1. ~~(a)~~ The ~~the~~ possession of, claim to, ownership of,  
17 or right to the possession of land;

18 2. ~~(b)~~ all ~~all~~ mines, minerals, and quarries in and  
19 under the land, subject to the provisions of section  
20 84-5401; all timber belonging to individuals or  
21 corporations growing or being on the lands of the United  
22 States; and all ~~right~~ rights and privileges appertaining  
23 thereto.

24 3. ~~Improvements.~~

25 ~~Third—~~ (3) The term "improvements" includes all

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

13 ~~Fourth—~~ (4) The term "personal property" includes  
14 everything ~~which that~~ is the subject of ownership, ~~but that~~  
15 is not included within the meaning of the term "real estate"  
16 and "improvements".

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

20 ~~Sixth—~~ (5) The term "credit" means those solvent  
21 debts, secured or unsecured, owing to a person.

22 ~~Seventh—~~ (6) The term "mobile home" means forms of  
23 housing known as "trailers", "house trailers", or "trailer  
24 coaches" exceeding ~~eight~~ (8) feet in width or ~~thirty-two~~  
25 (32) feet in length, designed to be moved from one place to

1 another by an independent power connected thereto ~~to them.~~

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

4 (8) The term "taxable value" means the percentage of  
 5 assessed value as provided for in 84-301.2 through ~~84-301.15~~  
 6 and ~~84-309~~ 84-301.19."

7 Section 48. Section 84-402, B.C.M. 1947, is amended to  
 8 read as follows:

9 "~~84-402. Department of revenue to determine and show~~  
 10 ~~percentage basis and taxable value computed thereon and~~  
 11 ~~county County~~ assessor to be agents agent of the state  
 12 department of revenue. ~~(1) The percentage basis of true and~~  
 13 ~~full value as provided for in section 84-302, shall be~~  
 14 ~~determined and assigned by the state department of revenue~~  
 15 ~~or its agents, and the taxable value thereupon computed when~~  
 16 ~~they make their annual assessments, and copies of such~~  
 17 ~~assessments as provided for in section 84-411 shall show the~~  
 18 ~~taxpayer the percentage class to which his various classes~~  
 19 ~~of property for taxation and the taxable valuation thereof~~  
 20 ~~have been assigned.~~ (2)(1) The county assessors of the  
 21 various counties of the state of Montana are agents of the  
 22 state department of revenue for the purpose of locating and  
 23 providing the department a description of all taxable  
 24 property within the county together with other pertinent  
 25 information, and for the purpose of performing such other

1 administrative duties as are required for placing taxable  
 2 property on the assessment roles. The assessors shall  
 3 perform such other duties as are required by law, not in  
 4 conflict with the provisions of this subsection.

5 ~~(3)(2)~~ The department of revenue shall have full  
 6 charge of ~~appraising~~ assessing all property subject to  
 7 taxation and equalizing values and shall secure such  
 8 personnel as is necessary to properly perform ~~their~~ its  
 9 duties.

10 ~~(4)(3)~~ The salaries salary of the county assessor  
 11 shall be the same amount as provided by law for the salary  
 12 of the county clerk and recorder; deputy assessors' salaries  
 13 shall be the same as paid the deputy clerk and recorder.

14 ~~(5)(4)~~ The county commissioners of the various  
 15 counties shall provide existing office space in the county  
 16 courthouse for use by the county assessor, his deputies and  
 17 staff, and the state appraiser and staff, if such space is  
 18 reasonably available, ~~if~~ if such space is not reasonably  
 19 available in the courthouse and the same must be contracted  
 20 for, the department shall pay the cost thereof. Additional  
 21 personal property required by the department for the  
 22 assessor to perform his duties as agent of the department  
 23 shall be provided by the department."

24 Section 49. Section 84-404, B.C.M. 1947, is amended to  
 25 read as follows:

1 "84-404. ~~State department~~ Department of revenue to  
 2 assign percentage basis, ~~---~~ when. The percentage basis of  
 3 ~~true and full~~ assessed value as provided for in ~~section~~  
 4 ~~84-302, shall be~~ 84-301.2 through 84-301.15 and 84-308  
 5 84-301.19 is determined and assigned by the ~~state~~ department  
 6 of revenue, or its agent when it makes its annual assessment  
 7 of the property, ~~which it is~~ required to ~~assess~~ under the  
 8 laws of this state, ~~and~~ The department shall transmit such  
 9 determination and assignment to the various county clerks  
 10 with the assessments so made, and its determination ~~shall be~~  
 11 is final except as to the right of review in the proper  
 12 court."

13 Section 50. Section 84-406, R.C.M. 1947, is amended to  
 14 read as follows:

15 "84-406. ~~Time of assessment --- motor vehicles ---~~  
 16 ~~mobile homes --- livestock --- snowmobiles~~ General assessment  
 17 day. (1) The department of revenue or its agent must,  
 18 ~~between the first day of~~ January 1 and the second Monday of  
 19 July in each year, ascertain the names of all taxable  
 20 inhabitants, and assess all property in each county subject  
 21 to taxation, ~~except such as is required to be assessed by~~  
 22 ~~the state department of revenue, and~~ The department or its  
 23 agent must assess ~~such~~ property to the ~~persons~~ person by  
 24 whom it was owned or claimed, or in whose possession or  
 25 control it was at 12 midnight of ~~the first day of~~ January 1

1 next preceding. It must also ascertain and assess all  
 2 mobile homes arriving in the county after 12 midnight of ~~the~~  
 3 ~~first day of~~ January 1 next preceding.

4 (2) The procedure provided by this section shall ~~may~~  
 5 not apply to:

6 (a) ~~Motor~~ motor vehicles ~~which that~~ are required by  
 7 ~~subdivision (2) hereof~~ subsection (3) to be assessed ~~as of~~  
 8 ~~the first day of on~~ January 1, or upon their anniversary  
 9 registration date, ~~but as~~ no mistake in the name of the  
 10 owner or supposed owner of real property, ~~however,~~ renders  
 11 the assessment ~~thereof~~ invalid.

12 (b) Livestock ~~livestock~~ which are required by  
 13 ~~subdivision (3)~~ subsection (6) of this section to be  
 14 assessed on an average inventory basis in each county;  
 15 ~~Credits must be assessed as provided in section 84-101,~~  
 16 ~~subdivision 6.~~

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

21 (d) Mobile ~~mobile~~ homes held by a distributor or  
 22 dealer of mobile homes as a part of his stock in trade, ~~and~~

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

25 ~~(f) (e) Snowmobiles which~~ snowmobiles that are required

1 by ~~subdivision 5 hereof~~ subsection (8) to be assessed as of  
 2 ~~the first day of~~ July 1.

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

5 ~~(2) (4)~~ The department or its agent must ascertain and  
 6 assess all motor vehicles, except mobile homes, in each  
 7 county subject to taxation as of January 1, or as of the  
 8 anniversary registration date of those vehicles subject to  
 9 ~~sections 53-154 through 53-162, in each year, and the same~~  
 10 The motor vehicles shall be assessed to the persons by whom  
 11 owned or claimed, or in whose possession or control ~~such~~  
 12 ~~vehicle was they were~~ at 12 midnight of ~~the first day of~~  
 13 January 1 or the anniversary registration date thereof,  
 14 whichever is applicable, in each year. ~~Provided that such no~~  
 15 ~~tax shall not may~~ be assessed against motor vehicles ~~which~~  
 16 ~~that~~ constitute inventory of motor vehicle dealers as of  
 17 January 1, ~~but said These~~ vehicles, and all other motor  
 18 vehicles brought into the state subsequent to January 1, as  
 19 ~~motor vehicle dealer's dealers' inventory, inventories~~ shall  
 20 be assessed to their respective purchasers as of the dates  
 21 ~~said the~~ vehicles are registered by ~~said the~~ purchasers, ~~and~~  
 22 ~~and purchasers means and~~ "Purchasers" includes dealers who  
 23 apply for registration or ~~re-registration~~ re-registration of  
 24 motor vehicles, except as otherwise provided by ~~section~~  
 25 32-3315. Goods, wares, and merchandise of motor vehicle

1 dealers, other than new motor vehicles and new mobile homes,  
 2 shall be assessed at ~~full and true~~ market value as of ~~the~~  
 3 ~~first day of~~ January 1.

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

14 ~~(3) (6)~~ The assessed value of livestock in each county  
 15 on the assessment date ~~shall be is~~ computed by adding the  
 16 assessed value of all livestock more than ~~nine (9)~~  
 17 age owned by the taxpayer in each county on the last day of  
 18 each month since the last assessment date and dividing the  
 19 sum by ~~twelve (12)~~. For purposes of this ~~subdivision~~  
 20 subsection, "livestock" means cattle, sheep, horses, and  
 21 mules.

22 ~~(4) (7)~~ The department of revenue or its agent must  
 23 ~~ascertain and~~ assess all campers in each county subject to  
 24 taxation as of January 1 in each year, ~~and the same The~~  
 25 campers shall be assessed to the persons including dealers

1 by whom owned or claimed, or in whose possession or control  
 2 ~~such camper was, including dealers, they were~~ at 12 midnight  
 3 of ~~the first day of~~ January 1 in each year.

4 ~~(5) (8)~~ The department of revenue or its agent must  
 5 ~~ascertain and~~ assess all snowmobiles in each county subject  
 6 to taxation as of July 1 in each year, ~~and the case a~~  
 7 snowmobile shall be assessed to the ~~persons~~ person by whom  
 8 owned or claimed, or in whose possession or control ~~each~~  
 9 snowmobile ~~it was~~ at 12 midnight ~~on the first day of~~ July 1  
 10 in each year, ~~provided, however, that except~~ snowmobiles  
 11 ~~which constitute in the~~ inventory of ~~snowmobile~~ dealers  
 12 ~~which~~ shall be assessed to the dealers as of 12 midnight of  
 13 ~~the first day of~~ January 1 in each year, ~~and further~~  
 14 ~~provided that all snowmobiles that have been assessed and~~  
 15 ~~for which taxes have been paid for the period of January 1,~~  
 16 ~~1975 through December 31, 1975, shall be assessed for only~~  
 17 ~~six (6) months during the period July 1, 1975 through June~~  
 18 ~~30, 1976."~~

19 Section 51. Section 84-602, R.C.M. 1947, is amended to  
 20 read as follows:

21 "84-602. Equalization of assessments. ~~The department~~  
 22 ~~of revenue has power after~~ After giving notice, in writing,  
 23 to ~~the a~~ taxpayer, by registered or certified mail,  
 24 addressed to him at his last known place of residence, of  
 25 its intention, ~~to the department of revenue may~~ increase or

1 lower ~~his~~ the taxpayer's assessment contained in the  
 2 assessment book, ~~so as~~ to equalize the assessment of the  
 3 property ~~contained therein~~ and make the assessment conform  
 4 to the ~~true~~ assessed value of such property ~~in money, as~~  
 5 ~~defined in 84-401 and 84-309, which~~ The notice shall specify  
 6 ~~the date and hour when he~~ the taxpayer may appear and be  
 7 heard thereon, ~~which date shall at a date and hour not be~~  
 8 less than ~~five (5)~~ days from date of mailing ~~such the~~  
 9 notice, ~~and immediately~~ Immediately after reaching a  
 10 decision, the department shall notify the taxpayer, in  
 11 writing, of ~~such the~~ decision, specifying the change, if  
 12 any, made in the assessment, ~~said The~~ notice ~~to must~~ be  
 13 given by registered or certified mail, and addressed to the  
 14 taxpayer at his last known place of residence. The  
 15 department ~~may also has power to~~ raise or lower the  
 16 valuation of all the property in a class by a certain  
 17 percentage, ~~in the event that if~~ any class of property is  
 18 assessed as a class, at more or less than its ~~actual~~  
 19 assessed value, ~~as defined by 84-401 by its~~ the department's  
 20 agent and if the valuation of ~~such~~ property within the  
 21 county demands a general reclassification."

22 Section 52. Section 84-708.1, R.C.M. 1947, is amended  
 23 to read as follows:

24 "84-708.1. Powers and duties of the ~~state~~ department  
 25 of revenue. (1) ~~To~~ The department of revenue shall annually

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

16 (2) ~~all~~ The department may not consider the following  
 17 property as part of any single or continuous property: lots  
 18 and parcels of real estate not included in ~~right-of-way~~  
 19 right-of-way, with the buildings, structures, and  
 20 improvements thereon; dams and power houses, depots,  
 21 stations, shops, and other buildings, erected upon ~~right-of~~  
 22 way, right-of-way; and furniture, machinery, and other  
 23 personal property, ~~shall not be considered as a part of any~~  
 24 ~~such single and continuous property, but shall be considered~~  
 25 ~~as separate and distinct therefrom, and shall be~~ The

1 property is considered separate and distinct and is assessed  
 2 by the agent of the department of revenue in the county  
 3 ~~wherein they are situate~~ where it is situated.

4 ~~(2)(3)~~ The department shall transmit to the county  
 5 clerk of each county its apportionment of all assessments  
 6 made by the department.

7 ~~(3)(4)~~ The department shall adjust and equalize the  
 8 valuation of taxable property among the several counties,  
 9 and the different classes of taxable property in any county  
 10 and in the several counties and between individual  
 11 taxpayers; supervise and review the acts of agents of the  
 12 department; change, increase, or decrease valuations made by  
 13 its agents; and exercise such authority and do all things  
 14 necessary to secure a fair, just, and equitable valuation of  
 15 all taxable property among counties between the different  
 16 classes of property and between individual taxpayers.

17 ~~(4)(5)~~ ~~To have and~~ The department shall exercise  
 18 general supervision over the administration of the  
 19 assessment and tax laws of the state, and over its agents  
 20 and any officers of municipal corporations, having any  
 21 duties to perform under any of the laws of this state  
 22 relating to taxation to the end that all assessments of  
 23 property be made relatively just and equal at ~~true~~ a value  
 24 in substantial compliance with law, and ~~to~~ supervise the  
 25 administration of all revenue laws of the state and assist

1 in their enforcement. ~~Further, the state~~ The department of  
 2 revenue ~~is empowered to organize, and it shall be its duty~~  
 3 ~~to~~ schedule and hold area schools within the state for  
 4 appraisers and assessors as often as ~~is deemed~~ it considers  
 5 necessary, ~~in the judgment of the department and the~~ The  
 6 costs of such appraisers and assessors attending shall be  
 7 borne by the state. ~~Further, the department shall determine~~  
 8 ~~if there is a need for a taxing, assessing, and appraising~~  
 9 ~~school, and such school shall be held, when deemed~~  
 10 ~~necessary.~~ The department shall notify all assessors and  
 11 appraisers at least ~~six~~ (6) months before such school is  
 12 scheduled, ~~and it shall be the duty of all~~ All assessors and  
 13 appraisers ~~to shall attend and the cost of their attendance~~  
 14 ~~shall be borne by the state.~~

15 ~~(5)~~ (6) ~~To~~ The department may confer with, advise, and  
 16 direct officers of municipal corporations as to their  
 17 duties, with respect to taxation, under the statutes of the  
 18 state.

19 ~~(6)~~ (7) ~~To~~ The department shall direct proceedings,  
 20 actions, and prosecutions to be instituted to enforce the  
 21 laws relating to the penalties, liabilities, and punishment  
 22 of public officials and persons, or their agents, for  
 23 failure or neglect to comply with the provisions of the  
 24 statutes governing the revenue of the state or municipal  
 25 corporations, ~~and to~~ The department shall cause complaints

1 to be made against assessors and other public officers to  
 2 the proper district court for their removal from office for  
 3 official misconduct or neglect of duty.

4 ~~(7)~~ (8) ~~To~~ The department shall require county  
 5 attorneys to assist in the commencement and prosecution of  
 6 actions and proceedings for penalties, forfeitures,  
 7 removals, and punishment for violations of the laws of the  
 8 state in respect to the assessment of property and other  
 9 revenue laws, in their respective counties.

10 ~~(8)~~ (9) ~~To~~ The department shall collect annually from  
 11 the proper officers of the municipal corporations  
 12 information ~~as to~~ about the assessment of property,  
 13 collection of taxes, receipts from licenses and other  
 14 sources, the expenditure of public funds for all purposes,  
 15 and such other information as may be needful and helpful in  
 16 the work of the department in such form and upon such blanks  
 17 as the department shall prescribe, ~~and it~~ it shall be the  
 18 duty of all public officers so called upon to fill out  
 19 properly and return promptly to the department all blanks so  
 20 transmitted and in every way aid the department in its  
 21 work, ~~to~~ The department may examine the records of all  
 22 municipal corporations for such purposes as are deemed  
 23 needful or helpful ~~by the department.~~

24 ~~(9)~~ (10) ~~To~~ The department may, in its discretion, ~~to~~  
 25 inspect and examine, or cause an inspection and examination



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

25 ~~(10)~~ (11) ~~To~~ The department may require persons, as

1 defined above, to furnish information concerning their  
 2 capital, funded or other debt, current assets and  
 3 liabilities, cost and value of property, earnings, operating  
 4 and other expenses, taxes, and all other facts which may  
 5 enable the department to ascertain the value of the relative  
 6 burdens borne by all kinds of property and occupations in  
 7 the state.

8 ~~(12)~~ (12) ~~To~~ The department may summon witnesses to  
 9 appear and give evidence, and to produce records, books,  
 10 papers, and documents relating to any matter which the  
 11 department ~~shall have~~ has authority to investigate and  
 12 determine.

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

20 ~~(14)~~ (14) ~~To~~ The department may examine ~~into~~ all cases  
 21 where evasion or violation of the laws for taxation of  
 22 property, proceeds, occupation, or business is alleged,  
 23 complained of, or discovered, and ~~to~~ ascertain wherein  
 24 existing laws are ineffective or are improperly or  
 25 negligently administered.

1       ~~(14)~~ (15) ~~To~~ The department may investigate the tax  
 2 systems of other states and countries and ~~to~~ formulate and  
 3 recommend legislation for the better administration of the  
 4 fiscal laws so as to secure just and equal taxation and  
 5 improvement in the system of taxation and the economical  
 6 expenditure of public revenue in the state.

7       ~~(15)~~ (16) ~~To~~ The department may consult and confer with  
 8 the governor of the state upon the subject of taxation, the  
 9 administration of the laws relating thereto, and the  
 10 progress of the work of the department, and ~~to~~ furnish the  
 11 governor such assistance as he may require.

12       ~~(16)~~ (17) ~~To~~ The department shall transmit to the  
 13 governor and to each member of the legislature ~~twenty~~ (20)  
 14 days before the meeting of the legislature, a report of the  
 15 department, showing all the taxable property of the state  
 16 and ~~the~~ its value ~~of the same~~ in tabulated form, with  
 17 recommendations for improvements in the system of taxation,  
 18 together with ~~such~~ measures as may be formulated for the  
 19 consideration of the legislature, ~~and to~~ The department may  
 20 include ~~therein~~ a report showing the selling price of  
 21 gasoline at the wholesale level in prime market centers of  
 22 Montana and in surrounding states during the biennium, with  
 23 indexes tabulated at sufficient intervals to show the  
 24 comparative state price structures.

25       ~~(17)~~ (18) In its discretion, ~~to~~ the department may waive

1 the assessment of penalty for the late filing of any tax  
 2 statement or return required to be filed with the department  
 3 when the filing is done within ~~five~~ (5) days of the date  
 4 specified for filing the return or statement, and ~~for~~ the  
 5 late payment of any tax collected by the department when the  
 6 payment is made within ~~five~~ (5) days of the date specified  
 7 for payment of the tax.

8       ~~(18)~~ (19) In its discretion, the department may ~~to~~ enter  
 9 into reciprocal agreements with the taxing authorities of  
 10 states contiguous to the state of Montana which tax the  
 11 income of Montana residents earned in that state to provide  
 12 that the tax imposed by Title 84, chapter 49, ~~R.C.M. 1947,~~  
 13 on income derived by persons who are nonresidents of this  
 14 state ~~shall need~~ not be ~~payable~~ paid when such other state  
 15 or states agree to grant similar treatment to residents of  
 16 Montana."

17       Section 53. Section 84-728, R.C.M. 1947, is amended to  
 18 read as follows:

19       "84-728. Valuation of interstate fleets —  
 20 determination of aggregate tax due. The ~~state~~ department of  
 21 revenue shall assess any interstate motor vehicle fleet  
 22 making application for proportional registration as follows:

23       ~~(a)~~ (1) The purchase price depreciated by a schedule as  
 24 prescribed by the department shall determine the depreciated  
 25 value.

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

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

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

11        Section 54. Section 84-4605, R.C.M. 1947, is amended  
12        to read as follows:

13        "84-4605. Taxation of banks and shares of stock in.

14        (1) Every state bank or banking corporation located and  
15        doing business in this state, and every private banker doing  
16        business in this state, shall be ~~taxable~~ taxed upon the  
17        value of all real estate and personal property owned by ~~such~~  
18        the bank, banking corporation, or private banker, ~~and also~~  
19        upon the moneyed capital employed in ~~such the~~ the business, ~~such~~  
20        and upon the moneyed capital to be ascertained as provided  
21        by ~~section 84-301, 84-301, 7 84-301.6, and the~~ The cashier or  
22        secretary of every ~~such~~ bank or banking corporation, and  
23        every ~~such~~ private banker, shall furnish to the department  
24        of revenue or its agent in the county in which its or his  
25        bank is located, within ~~five~~ 5 days after demand therefor, a

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

24        (2) All shares of stock in any ~~such~~ bank or banking  
25        corporation shall be assessed at their full cash value,

1 except to the extent that that value is represented in  
 2 property which is assessable and taxable to ~~such~~ the bank or  
 3 banking corporation in this state, and shall be taxable to  
 4 the owners of ~~such~~ the shares in the county, school  
 5 district, city, town, or place where ~~such~~ the bank or  
 6 banking corporation is located ~~and not elsewhere~~, whether or  
 7 ~~not~~ the owners of ~~such~~ the shares are residents of such  
 8 county, school district, city, town, or place.

9 (3) The cashier or secretary of any ~~such~~ bank or  
 10 banking corporation shall furnish to the department or its  
 11 agent, upon demand, the name of each stockholder with his  
 12 residence and the number of shares belonging to him at the  
 13 close of business on December 31 of the preceding year, ~~and~~  
 14 ~~if such~~ If the cashier or secretary, for more than ~~five~~ 5  
 15 days after ~~such~~ the demand, ~~shall fail~~ fails to furnish such  
 16 information, he ~~shall be~~ is guilty of a misdemeanor and the  
 17 department or its agent may obtain ~~such~~ information from any  
 18 other available source, ~~and for such purposes shall have~~  
 19 ~~access to~~ or from the books of ~~such~~ the bank or banking  
 20 corporation. For convenience, the assessment of ~~each~~ the  
 21 shares shall be entered on the personal property assessment  
 22 list under the name of the bank or banking corporation  
 23 concerned, but in the assessment list the names of the  
 24 owners of such shares shall be set forth and the number of  
 25 shares owned by each, ~~and such~~ the assessment, when so

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

13 Section 55. Section 84-4701, R.C.M. 1947, is amended  
 14 to read as follows:

15 "84-4701. Limitation on amount of tax for municipal  
 16 purposes — distribution of funds — levy for ~~park~~ parks,  
 17 swimming pools, playgrounds, youth centers, and other  
 18 purposes. The amount of taxes to be assessed ~~and~~ levied for  
 19 general municipal or administrative purposes in cities and  
 20 towns ~~must~~ may not exceed ~~two and four tenths~~ (2.4%) per  
 21 ~~centum on the per centum~~ 2.4% of the assessed taxable value  
 22 of the taxable property of the city or town, subject to  
 23 taxation, and the The council or commission in each city or  
 24 town may distribute the money collected into ~~such~~ the funds  
 25 ~~as are~~ prescribed by ordinance, ~~provided that for~~ For the

1 purpose of procuring, equipping, and maintaining public  
 2 parks, swimming pools, skating rinks, playgrounds, civic  
 3 centers, youth centers, museums, and combinations thereof,  
 4 the council or commission in any city or town may assess and  
 5 levy, in addition to the said levy for general municipal or  
 6 administrative purposes, an amount not exceeding ~~seven~~ {7}  
 7 mills on the dollar on the ~~per centum of the assessed~~  
 8 taxable value of the taxable property to be taxed of the  
 9 city or town."

10 Section 56. Section 84-4701.2, R.C.M. 1947, is amended  
 11 to read as follows:

12 "84-4701.2. Maximum rate of all-purpose levy.  
 13 ~~Notwithstanding the provisions of the statutes of Montana to~~  
 14 ~~the contrary (1) Except as provided elsewhere,~~ the cities  
 15 and towns of the state of Montana may make an all-purpose  
 16 annual levy upon the assessed taxable value of all the  
 17 taxable property in ~~each the~~ cities and towns, subject to  
 18 taxation for municipal purposes in lieu of the multiple  
 19 levies now authorized by statute. The total of ~~each the~~  
 20 all-purpose levy shall may not exceed ~~sixty-five~~ {65} mills  
 21 on the dollar, ~~which~~ This levy shall may not include any  
 22 levies necessary for bonded indebtedness, judgments, or  
 23 special improvement district revolving funds of  
 24 municipalities, which levies may be made in addition to  
 25 all-purpose levy as provided in ~~sections~~ 84-4701.1 and

1 84-4701.6. The moneys received from ~~such the~~ all-purpose  
 2 levy shall be accounted for in a common fund known as the  
 3 all-purpose general fund.

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

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

19 Section 57. Section 84-4713, R.C.M. 1947, is amended  
 20 to read as follows:

21 "84-4713. Taxes in cities and towns ~~which that~~ have  
 22 exceeded the statutory limit of indebtedness. All taxes  
 23 ~~heretofore~~ levied and collected, or to be collected for  
 24 municipal and administrative purposes by any city or town,  
 25 in which the indebtedness ~~of which~~ equals or exceeds the

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

17 Section 58. Section 84-5103, R.C.M. 1947, is amended  
 18 to read as follows:

19 "84-5103. Taxation of credits of insurance companies  
 20 -- other property. All property other than credits of  
 21 insurance companies required by law to have and maintain a  
 22 legal reserve for the protection of policyholders shall be  
 23 assessed, classified, and taxed as other property of like  
 24 character. Credits, including evidence of indebtedness  
 25 secured by mortgages, less legal reserves for the protection

1 of policyholders and other indebtedness, shall be classified  
 2 and taxed on the basis of ~~thirty per centum~~ (30%) of full  
 3 cash market value as thus ascertained."

4 Section 59. Section 84-5211, R.C.M. 1947, is amended  
 5 to read as follows:

6 "84-5211. Limitation of levies -- livestock moneys.  
 7 The amount of ~~such~~ the levy shall may not in any event  
 8 exceed ~~two~~ (2) 6 mills upon the ~~assessed~~ valuation taxable  
 9 value of sheep and ~~three~~ (3) 9 mills upon the ~~assessed~~  
 10 valuation taxable value of other livestock, ~~which shall be~~  
 11 levied The levy is raised to aid in the payment of the  
 12 general ~~expense~~ expenses of the brands-enforcement functions  
 13 of the department of livestock, including salaries, office  
 14 ~~expense,~~ expense, ~~expense of~~ prosecution, travel,  
 15 and all incidental ~~expense,~~ expenses, ~~and a~~ A separate levy  
 16 ~~of not exceeding to exceed~~ three (3) 9 mills on all  
 17 livestock may be raised for the use of the animal health  
 18 functions of the department of livestock ~~to be~~ and placed in  
 19 ~~the~~ an earmarked revenue fund for the payment of indemnity  
 20 for animals slaughtered, ~~and~~ for salaries and expenses  
 21 incurred in investigating, controlling, and suppressing  
 22 diseases, including expenses of quarantine and salaries and  
 23 expenses incurred for such purposes, and for laboratory  
 24 ~~maintenance,~~ provided further that at the written request  
 25 of the department of livestock the state treasurer and state

1 controller, ~~at the written request of the department of~~  
 2 livestock shall set aside in a separate account in the  
 3 earmarked revenue fund ~~such any~~ moneys as may be available  
 4 and requested, ~~which~~ The moneys shall may be expended only  
 5 when the department of livestock determines that a livestock  
 6 disease emergency exists requiring its expenditure, ~~and they~~  
 7 ~~shall then be expended~~ for such purposes as the department  
 8 of livestock may order and direct."

9 Section 60. Section 84-5214, R.C.M. 1947, is amended  
 10 to read as follows:

11 "84-5214. Levy for bounty moneys -- use of proceeds.  
 12 The department of revenue shall, annually ~~prescribe, make~~  
 13 ~~and~~ levy an ad valorem tax on all livestock in the state of  
 14 Montana for the purpose of protecting ~~such livestock them~~  
 15 against destruction, depredation, and injury by wild  
 16 animals, whether the livestock is on lands in private  
 17 ownership, in the ownership of the state, or in the  
 18 ownership of the United States, including open ranges and  
 19 all lands in or of the public domain. This protection may be  
 20 by all any means of effective predatory animal destruction,  
 21 extermination, and control, including systematic hunting,  
 22 ~~and trapping in planned campaigns, or otherwise,~~ and payment  
 23 of bounties, ~~against destruction, depredation and injury by~~  
 24 ~~wild animals, whether on lands in private ownership, in the~~  
 25 ~~ownership of the state, or in the ownership of the United~~

1 States, including open ranges and all lands in or of the  
 2 public domain. The tax levy shall may not exceed in any one  
 3 ~~(1) year (a) one and one half (1-1/2)~~ 4.5 mills on the  
 4 ~~assessed valuation~~ taxable value of all sheep, and ~~(b) one~~  
 5 ~~(1) mill on the assessed valuation~~ taxable value of other  
 6 livestock. The moneys received from ~~such the~~ tax levies  
 7 shall be transmitted monthly with other taxes for state  
 8 purposes, by the county treasurer of each county, to the  
 9 state treasury, ~~and be by the~~ The state treasurer placed in  
 10 ~~and to the credit of the~~ shall place the money in an  
 11 earmarked revenue fund ~~(with the other moneys in that fund~~  
 12 ~~under the provisions of section as provided in 46-1901), and~~  
 13 ~~such~~ The moneys shall thereafter be paid out only on claims  
 14 duly and regularly presented to the department of livestock,  
 15 and thereafter approved by ~~said the~~ department, in  
 16 accordance with the law applicable either to claims for  
 17 bounties, ~~when such claims are approved, or to claims for~~  
 18 other expenditures necessary and proper for predatory animal  
 19 control by ~~other~~ means and methods other than payment of  
 20 bounties, as ~~may be~~ determined by the department of  
 21 livestock. All ~~such the~~ moneys shall be available for the  
 22 payment of bounty claims and for expenditures ~~in and~~ for  
 23 planned, seasonal, or other campaigns directed, or operated  
 24 by the department in cooperation with other agencies, for  
 25 the systematic destruction, extermination, and control of

1 predatory wild animals, as ~~may be~~ determined by the  
 2 department and the its advisory committee ~~thereto~~. No claims  
 3 shall may be approved in excess of moneys available for such  
 4 purposes, and no warrants shall may be registered against  
 5 ~~such the~~ moneys."

6 Section 61. Section 84-5216, R.C.M. 1947, is amended  
 7 to read as follows:

8 "84-5216. Tax levy for bounties on predatory animals.  
 9 Whenever the owners, ~~or agent,~~ or agents of ~~such the~~ owners,  
 10 representing ~~fifty-one per cent~~ 51% of the livestock of any  
 11 county in this state shall present a petition to the board  
 12 of county commissioners of such county, asking for the levy  
 13 of a tax upon the livestock of ~~such the~~ county for the  
 14 purpose of paying bounties on predatory animals killed in  
 15 ~~such the~~ county, it shall ~~be is~~ the duty of ~~such the~~ board  
 16 of county commissioners to make ~~such the~~ levy, which shall  
 17 may not exceed ~~ten 40 30~~ mills on the dollar ~~or of~~ the  
 18 ~~assessed valuation~~ taxable value of all livestock in ~~such~~  
 19 ~~the~~ county, ~~which The~~ tax shall be assessed and collected  
 20 in the same manner as all other state and county taxes."

21 Section 62. Section 84-5406, R.C.M. 1947, is amended  
 22 to read as follows:

23 "84-5406. Assessment of royalties. Upon receipt of the  
 24 list or schedule setting forth the names and addresses of  
 25 any and all persons, corporations, and associations owning

1 or claiming royalty, and the amount ~~or amounts~~ paid or  
 2 yielded as royalty to ~~such the~~ royalty owners or claimants  
 3 during the year for which ~~such the~~ return is made, the state  
 4 department of revenue shall proceed to ~~the assessment of all~~  
 5 ~~such assess and tax the~~ royalties, and shall ~~assess the same~~  
 6 ~~at the full cash value of the money or product yielded~~  
 7 ~~during such preceding calendar year, and the same shall be~~  
 8 ~~taxed on the same basis as net proceeds of mines are taxed~~  
 9 ~~as provided by section 84-304 84-304, 2 84-301, 3."~~

10 Section 63. Section 84-6008, R.C.M. 1947, is amended  
 11 to read as follows:

12 "84-6008. Assessment of personal property brought into  
 13 the state — exceptions. (1) Property in the following cases  
 14 is subject to taxation and assessment for all taxes levied  
 15 that year in the county in which it is located:

16 (a) ~~Any~~ any personal property, including livestock,  
 17 brought, driven, or coming into this state at any time  
 18 during the year ~~which that~~ is used in the state for hire,  
 19 compensation, or profit;

20 (b) ~~or if the~~ property whose owner and/or the user of  
 21 ~~the property~~ is engaged in gainful occupation or business  
 22 enterprise in the state; or

23 (c) the property ~~otherwise~~ which comes to rest and  
 24 becomes a part of the general property of the state, ~~shall~~  
 25 ~~be subject to taxation and shall be assessed for all taxes,~~



1 ~~levied or leviable for that year in the county in which the~~  
 2 ~~case shall thus be,~~

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

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

17 ~~(4) provided further that this act~~ This section shall  
 18 not apply to motor vehicles brought, driven, or coming into  
 19 this state by any nonresident, migratory, bona fide  
 20 agricultural workers temporarily employed in agricultural  
 21 work in Montana ~~where said~~ if the motor vehicles are used  
 22 exclusively for transportation of agricultural workers.

23 (5) Agricultural harvesting machinery classified under  
 24 ~~Class 2 class two CLASSES EIGHT AND TWELVE, section 84-301,~~  
 25 ~~R.C.M., 1947,~~ licensed in other states, and operated on the

1 lands of persons other than the owner of the machinery,  
 2 under contracts for hire shall be subject to a fee, in lieu  
 3 of taxation, of ~~thirty-five dollars (\$35)~~ per machine for a  
 4 ~~sixty (60)-~~ day period. ~~Such~~ The machines shall be subject to  
 5 taxation under ~~Class 2 class two~~ CLASSES EIGHT AND TWELVE  
 6 only if they are sold in Montana."

7 Section 64. Section 84-6102, R.C.M. 1947, is amended  
 8 to read as follows:

9 "84-6102. United States property held under contract  
 10 of sale ~~assessment at full value~~. When ~~such~~ the property  
 11 is held under a contract of sale or other agreement whereby  
 12 ~~on certain upon~~ payment ~~or payments~~ the legal title is or  
 13 may be acquired by ~~such~~ the person, corporation, or  
 14 association, ~~such~~ the real property shall be assessed and  
 15 taxed as ~~for the full value thereof defined in 84-301.5,~~  
 16 ~~84-301.6, 84-301.8, 84-301.9, 84-301.11, 84-301.15, or~~  
 17 ~~84-301.2 THROUGH 84-301.19 AND 84-401~~ without deduction on  
 18 account of the whole or any part of the purchase price or  
 19 other sum due on ~~such~~ the property remaining unpaid,  
 20 ~~provided, that the~~ The lien for ~~such~~ the tax shall neither  
 21 may not attach to, impair, ~~nor~~ or be enforced against any  
 22 interest of the United States in ~~such~~ the real property."

23 Section 65. Section 84-6103, R.C.M. 1947, is amended  
 24 to read as follows:

25 "84-6103. United States property held under lease --

1 assessment at value of leasehold. When ~~such the~~ property is  
 2 held under lease, ~~or~~ other interest, or estate therein less  
 3 than the fee, except under contract of sale, ~~such the~~  
 4 property shall be assessed and taxed as for the ~~true cash~~  
 5 value ~~as defined in 84-301.2 through 84-301.15 and 84-401~~  
 6 ~~84-301.19~~ of such leasehold, interest, or estate in ~~such the~~  
 7 property and the lien for ~~such the~~ tax shall attach to and  
 8 be enforced against only the leasehold, interest, or estate  
 9 in ~~such the~~ property, ~~provided, that where when~~ the United  
 10 States authorizes the taxation of ~~such the~~ property for the  
 11 full assessed value of the fee thereof, ~~such the~~ property  
 12 shall be assessed for ~~such full assessed value, as defined~~  
 13 ~~in 84-401.~~"

14 Section 56. Section 84-6205, R.C.M. 1947, is amended  
 15 to read as follows:

16 "84-6205. Assessment of royalties. The amount of  
 17 royalty received shall be considered net proceeds to the  
 18 recipient and shall be assessed as follows: ~~Upon~~ upon  
 19 receipt of the lists or schedules setting forth the names  
 20 and addresses of any and all persons owning or claiming  
 21 royalty, and the amount ~~or amounts~~ paid or yielded as  
 22 royalty to such royalty owners or claimants during the year  
 23 for which such return is made, the ~~state~~ department of  
 24 revenue shall proceed to ~~the assessment of all such~~  
 25 ~~royalties, and shall~~ assess and tax the same ~~at the full~~

1 ~~each value of the money or product yielded or accrued during~~  
 2 ~~such preceding calendar year, and the same shall be taxed as~~  
 3 net proceeds of mines."

4 Section 67. Section 84-6407, R.C.M. 1947, is amended  
 5 to read as follows:

6 "84-6407. Transmission of statement of amount  
 7 apportioned to counties. On or before the second Monday in  
 8 July, the department shall apportion ~~such the~~ assessment to  
 9 the counties in or through which the airline operates. The  
 10 county assessor must enter the amount of the assessment  
 11 apportioned to the county in the column of the assessment  
 12 roll or book which shows the total value of all property for  
 13 taxation in the county. The assessment shall be assigned to  
 14 class ~~7~~ seven ~~having a taxable value of forty per cent (40%)~~  
 15 ~~of assessed value.~~"

16 Section 68. Section 84-7403, R.C.M. 1947, is amended  
 17 to read as follows:

18 "84-7403. Tax treatment of certain energy-related  
 19 investments. (1) Upon application by a taxpayer, approved  
 20 under ~~section~~ 84-7404, a capital investment by the taxpayer  
 21 in a recognized nonfossil form of energy generation shall be  
 22 treated by the department of revenue as:

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

1 (b) class ~~seven~~ EIGHTEEN property, as defined in  
 2 ~~sections 84-301 and 84-302, 84-301,9 84-301.19~~ for such  
 3 portion of the appraised assessed value of the investment  
 4 that exceeds ~~one hundred thousand dollars~~ (\$100,000).

5 (2) Upon application by a taxpayer, approved under  
 6 ~~section 84-7404~~, a capital investment in a building by the  
 7 taxpayer for an energy conservation purpose shall be treated  
 8 by the department of revenue as class ~~eight~~ FIFTEEN  
 9 property, as defined in ~~sections 84-301 and 84-302, 84-301,9~~  
 10 84-301.16, to the extent the appraised assessed value of the  
 11 investment does not exceed ~~twenty percent~~ (20%) of the  
 12 appraised assessed value of the building in which the  
 13 investment is made."

14 Section 69. Section 84-7513, R.C.M. 1947, is amended  
 15 to read as follows:

16 "84-7513. Valuation of commercial land. After  
 17 classification as commercial, land, whether occupied or not,  
 18 shall may not change in value for tax purposes unless it  
 19 meets or is governed by the following provisions:

20 (1) Class A — open undeveloped land. Open  
 21 undeveloped land within the boundaries ~~set as of~~ designated  
 22 commercial land which has value and is not designated for  
 23 usage as a parking area or park, and developed as such  
 24 within ~~two~~ (2) years from the effective date of this act,  
 25 shall be subject to taxation in the following method (after

1 the ~~two~~ (2)-year grace period):  
 2 1st year taxation — 1% over valuation existing at the  
 3 beginning of the ~~said two~~ (2) years;  
 4 2nd year taxation — +2% over the previous year's valuation;  
 5 3rd year taxation — +10% over the previous year's valuation;  
 6 3-5 years taxation — +20% over the previous year's valuation;  
 7 over ~~five~~ 5 years — +30% over the previous year's valuation.

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

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

24 Age of structure	Tax increase according
25 in years	to the years since remodeled last

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

(4) Class D — new improved land.

(a) The construction cost and land cost of any commercial development within a classified commercial or residential area shall may not be taxed for its construction period.

(b) Following the nontaxable period the total cost of land and improvements developed as new commercial property shall be taxed as follows:

Commercial land location	Taxable schedule
(i) Land within and extending <del>nine-hundred</del> <del>(900)</del> feet beyond that area designated by the governing authority as the central business	Improvements shall be taxed in additional increments as follows: <del>A-ten-percent-(10%)</del> increase in <u>valuation assessed</u> value per year until a total

1 district of a community. value for tax purposes  
2 is ~~one-hundred-percent-(100%)~~  
3 of assessed value.  
4 (ii) Land from that Improvements shall be  
5 designation under taxed in additional  
6 subsection (4) (b) (i) increments as follows: A  
7 to the corporate ~~thirty-three-and~~  
8 boundary or city limits. ~~one-third-percent~~  
9 ~~(33 1/3%)~~ increase in  
10 valuation assessed value per year until  
11 a total value for tax  
12 purposes is ~~one-hundred~~  
13 ~~percent-(100%)~~ of assessed value.

14 (iii) Land lying from An increase in taxes  
15 the corporate boundary to over the normally  
16 the ~~four-and-one-half~~ assessed value of ~~ten~~  
17 ~~(4 1/2)~~ 4 1/2-mile limit. ~~percent-(10%)~~ per year  
18 for a period of ~~ten~~ 10 years  
19 unless given a waiver by  
20 the governing authority.

21 (iv) Land lying beyond An increase in taxes  
22 the ~~four-and-one-half~~ over the normally  
23 ~~(4 1/2)~~ 4 1/2-mile limit. assessed value of  
24 ~~twenty-five-percent-(25%)~~  
25 per year for ~~fifteen-(15)~~

years unless given a  
waiver by the governing  
authority."

Section 70. Section 89-3403, R.C.M. 1947, is amended  
to read as follows:

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

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

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

(3) "~~Elector~~ elector" means a person qualified to vote  
under ~~section~~ 89-3423;

(4) "~~Court~~ court" means the district court of the  
judicial district in which the largest portion of the  
taxable valuation of real property of the proposed district  
is located and within the county in which the largest  
portion of the taxable valuation of real property of the  
proposed district is located within the judicial district;

(5) "~~Person~~ person" means a natural person; firm;  
partnership; ~~co-operative~~ cooperative; association; public  
or private corporation, including the state of Montana or  
the United States; foundation; state agency or institution;  
county; municipality; district or other political

subdivision of the state; federal agency or bureau; or any  
other legal entity;

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

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

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

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

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

(11) "~~Notice~~ notice" means publication at least once  
each week for ~~three~~ three consecutive weeks in a newspaper

1 published in each county, or, if no newspaper is published  
 2 in a county, a newspaper of general circulation in the  
 3 county, or counties, in which a district is or will be  
 4 located. The last published notice shall appear not less  
 5 than ~~five~~ (5) days prior to any hearing or election held  
 6 under this act;

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

14 (13) "~~taxable taxable~~ valuation" shall ~~mean~~ is the  
 15 ~~valuation determined according to section 84-302, R.C.M. 1947,~~  
 16 ~~1947, value as defined in 84-401~~ and does not mean assessed  
 17 valuation."

18 Section 71. Repealer. Sections 69-3923, 84-301,  
 19 84-302, 84-304, 84-305, 84-307, and 84-308, R.C.M. 1947, are  
 20 repealed.

-End-

March 30, 1977

STANDING COMMITTEE REPORT  
Senate Committee on Taxation

That House Bill No. 70 be amended as follows:

1. Amend page 18, section 9, line 18.

Following: "tools"

Strike: "and implements included in Class 14;"

Insert: ", implements and machinery included in Class 14;"

2. Amend page 20, section 12, line 17.

Following: "value"

Insert: ", or so much of 12% as is determined under 84-309,  
whichever is less"

3. Amend page 22, lines 19 through 21.

Following: line 18

Strike: lines 19 through 21 in their entirety

Insert: "(c) electric transformers and meters and gas regulators and meters that are not part of the single and continuous property of a utility that is centrally assessed; and, electric light and power substation machinery, compressor station machinery, measuring and regulating station equipment, and tools used in the repair and maintenance of the property included in this subsection."

4. Amend page 24, section 16, line 25.

Following: "value"

Insert: ", or in the case of property classified under (1) (b) of this section, so much of 6% as is determined under 84-309, whichever is less"

5. Amend page 30, section 19, line 11.

Following: "value"

Insert: ", or in the case of property classified under (1) (a) of this section, so much of 2.8% as is determined under 84-309, whichever is less"

6. Amend page 110, section 60, line 5.

Following: line 4

Strike: "1 mill"

Insert: "3 mills"

7. Amend page 123, section 70, line 17.

Following: line 17

Insert: "Section 71. There is a new R.C.M. section numbered 84-309 that reads as follows:

"84-309. Reappraised real property -- limitation on increased appraisals -- table of taxable percentages.

(1) The director of revenue shall certify to the governor, before June 30, 1978, the percentage by which the market value of all property in the state classified under sections 84-301.12, 84-301.16 (1) (b), and 84-301.19 (1) (a) as of January 1, 1977 has increased due to the revaluation conducted under 84-429.14. This figure is the "certified statewide percentage increase." (2) The taxable value of property in these three classes is determined as a function of the certified statewide percentage increase in accordance with the following table:

Certified statewide percentage increase	84-301.12	84-301.16 (1) (b)	84-301.19 (1) (a)
0			
1%	\$ 11.89	one-half of	7/30 of the
2%	11.79	the equivalent	equivalent
3%	11.69	millage under	millage under
4%	11.58	84-301.12	84-301.12
5%	11.49		
6%	11.39		
7%	11.29		
8%	11.20		
9%	11.11		
10%	11.02		
11%	10.93		
12%	10.84		
13%	10.76		
14%	10.67		
15%	10.59		
16%	10.51		
17%	10.43		
18%	10.35		
19%	10.28		
20%	10.20		
21%	10.13		
22%	10.05		
23%	9.98		
24%	9.91		
25%	9.84		
26%	9.77		
27%	9.70		
28%	9.64		
29%	9.57		
30%	9.51		
31%	9.44		
32%	9.38		
33%	9.32		
34%	9.26		
35%	9.20		
36%	9.14		
37%	9.08		
38%	9.03		
39%	8.97		
40%	8.91		
41%	8.86		
42%	8.81		
43%	8.75		
44%	8.70		
45%	8.65		
46%	8.60		
47%	8.55		
48%	8.50		
49%	8.45		
50%	8.40		



"Section 72. There is a new R.C.M. section that reads as follows:  
"Temporary authority to exceed mill levy limitations in certain cases.

Taxing jurisdictions may adopt and levy for a budget equal to 105% of the preceding year's budget, statutory mill levy limitations notwithstanding, unless the taxable valuation therein has increased to a level which would allow statutory mill levies to produce a budget equal to 105% of the preceding year's budget."

Renumber: following section

8. Amend page 123, section 71, line 20.

Following: "repealed."

Insert: "However, amendments to 84-301, 84-302, or 84-307, R.C.M. 1947, enacted by this legislative session shall be incorporated into the equivalent sections enacted in this act as directed by such other amendatory acts."

March 31, 1977

SENATE  
COMMITTEE OF THE WHOLE

That House Bill No. 70 be amended as follows:

1. Amend page 109, section 59, line 8.

Following: line 8

Insert: "Section 60. Instructions to code commissioner and publisher.  
In preparing a composite section of section 84-5211, as amended  
by this act and by chapter 120, Laws of 1977, the code commissioner  
and the publisher of the Revised Codes of Montana, 1947, shall  
indicate the authority granted by chapter 120 as authority to levy  
an additional 3 mills on the taxable value of all livestock."

Renumber: subsequent sections

HOUSE BILL NO. 70

INTRODUCED BY FABREGA, MOORE, O'KEEFE, FAGG,  
WILLIAMS, LIEN, HUENNEKENS, VINCENT, UNDERDAL

A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE PROPERTY  
TAX SYSTEM BY GENERALLY REVISING AND RECODIFYING SECTIONS  
RELATING TO PROPERTY CLASSIFICATION AND TAXATION AND BY  
ESTABLISHING MARKET VALUE AS THE BASIS OF TAXATION, EXCEPT  
FOR CERTAIN CASES, AND ADJUSTING THE TAXABLE PERCENTAGE  
ACCORDINGLY; AMENDING SECTIONS 11-968, 11-1011, 11-1019,  
11-1301, 11-1909, 11-1919, 11-2201, 11-2205, 11-2303,  
11-3921, 11-4111, 14-307, 16-502, 16-807, 16-808, 16-1152,  
16-1412, 16-2010.1, 16-4020, 32-3107, 46-1914, 53-114,  
53-1025, 69-3504, 69-3923, 75-7104, 75-8104, 84-101, 84-401,  
84-402, 84-404, 84-406, 84-602, 84-708.1, 84-728, 84-4605,  
84-4701, 84-4701.2, 84-4713, 84-5103, 84-5211, 84-5214,  
84-5216, 84-5406, 84-6008, 84-6102, 84-6103, 84-6205,  
84-6407, 84-7403, 84-7513, AND 89-3403, R.C.M. 1947; AND  
REPEALING SECTIONS 69-3923, 84-301, 84-302, 84-304, 84-305,  
84-307, AND 84-308, R.C.M. 1947."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
Section 1. There is a new R.C.M. section numbered  
84-301.1 that reads as follows:  
84-301.1. Classification of taxable property. For the

purpose of taxation, the taxable property in the state shall  
be classified in accordance with 84-301.2 through ~~84-301.15~~  
84-301.19.

Section 2. There is a new R.C.M. section numbered  
84-301.2 that reads as follows:

84-301.2. Class one property -- description -- taxable  
percentage. (1) Class one property includes the right of  
entry which is a property right reserved in land or received  
by mesne conveyance (exclusive of leasehold interests),  
devise, or succession to enter land whose surface title is  
held by another to explore, prospect, or dig for oil, gas,  
coal, or minerals. The market value of the right of entry  
is determined by the department of revenue.

(2) Class one property is taxed at 100% of its market  
value.

Section 3. There is a new R.C.M. section numbered  
84-301.3 that reads as follows:

84-301.3. Class two property -- description -- taxable  
percentage. ~~(1) Class two property includes~~  
~~(a) all agricultural and other tools, implements, and~~  
~~machinery;~~  
~~(b) gas and other engines and boilers and threshing~~  
~~machines and outfits used therewith;~~  
~~(c) automobiles, motor trucks, and other power-driven~~  
~~cars and vehicles of all kinds except mobile homes;~~

1           (d)--boats-and-all-watercraft†  
 2           (e)--harnessy-saddlery-and-rope†  
 3           (f)--all-property-except-that-included-in-class-five†  
 4           84-3016†-used-and-owned-by-persons-firms-corporations-or  
 5           other-organizations-that-are-engaged-in-the-business-of  
 6           furnishing-telephone-communications-exclusively-to-rural  
 7           areas-or-to-rural-areas-and-cities-and-towns-of-800-persons  
 8           or-less-The-average-circuit-miles-for-each-station-on-the  
 9           telephone-communications-system-must-be-more-than-1-1/4  
 10           miles-to-qualify-for-this-classification†  
 11           (2)--Class-two-property-is-taxed-at-13%-of-its-market  
 12           value. (1) CLASS TWO PROPERTY INCLUDES THE ANNUAL NET  
 13           PROCEEDS OF ALL MINES AND MINING CLAIMS, EXCEPT COAL MINES.  
 14           (2) CLASS TWO PROPERTY IS TAXED AT 10% OF ITS ANNUAL  
 15           NET PROCEEDS AFTER DEDUCTING THE EXPENSES SPECIFIED AND  
 16           ALLOWED BY 84-5403.  
 17           Section-4†-There-is-a-new-R&E-M†-section-numbered  
 18           84-3014-that-reads-as-follows†  
 19           84-3014†-Class-three-property-----description-----  
 20           percentages--(1)-Class-three-property-includes†  
 21           (a)--livestocky-poultryy-and-unprocessed-products--of  
 22           both†  
 23           (b)--furniture-and-fixtures-used-in-commercialy-officery  
 24           and-hotely-activitiesy-except-improvements-included-in-class  
 25           nine†

1           (2)--Class-three-property-is-taxed-at-13%-of-its-market  
 2           value†  
 3           Section-5†-There-is-a-new-R&E-M†-section-numbered  
 4           84-3015-that-reads-as-follows†  
 5           84-3015†-Class-four-property-----description-----  
 6           taxable-percentages--(1)-Class-four-property-includes†  
 7           (a)--all-landy-except-agriculturaly-land-meeting-the  
 8           qualifications-of-84-4372†  
 9           (b)--all-improvementsy-except-those-included-in-class  
 10           fivey-eighty-or-niney†  
 11           (c)--all-trailery-affixed-to-landy-ownedy-leasedy-or  
 12           under-contract-for-purchase-by-the-trailer-owner†  
 13           (d)--all-mobile-homesy-except†  
 14           (i)--those-held-by-a-distributor-or-dealer-of-mobile  
 15           homes-as-part-of-his-stock-in-trade†-and  
 16           (ii)-those-included-in-class-eighty†  
 17           (e)--manufacturing-and-mining-machineryy-fixturesy-and  
 18           suppliesy-except-those-included-in-class-fivey-seveny-or  
 19           eighty†  
 20           (2)--Class-four-property-is-taxed-at-12%-of-its-market  
 21           value†  
 22           Section-6†-There-is-a-new-R&E-M†-section-numbered  
 23           84-3016-that-reads-as-follows†  
 24           84-3016†-Class-five-property-----description-----  
 25           taxable-percentages--(1)-Class-five-property-includes†

1       ~~{a)--all--property--used--and--owned--by--cooperative--rural~~  
2 ~~electrical--and--cooperative--rural--telephone--associations--as~~  
3 ~~provided--in--(2){a)--of--this--section;~~

4       ~~{b)--all--unprocessed--agricultural--products--on--the--farm~~  
5 ~~or--in--storage;--except:~~

6       ~~{i)--all--perishable--fruits--and--vegetables--in--farm~~  
7 ~~storage--and--owned--by--the--producer;--and~~

8       ~~{ii)--livestock--and--poultry--and--the--unprocessed--products~~  
9 ~~of--both;~~

10       ~~{c)--a--dwelling--house--and--the--lot--on--which--it--is~~  
11 ~~erected;--owned--and--occupied--by--a--disabled--veteran--under--the~~  
12 ~~condition--specified--in--(2){b)--of--this--section;~~

13       ~~(2)--{a)--The--property--of--all--cooperative--rural~~  
14 ~~electrical--and--cooperative--rural--telephone--associations~~  
15 ~~organized--under--the--laws--of--Montana--is--included--in--this~~  
16 ~~class;--except--that--when--less--than--95%--of--the--electricity~~  
17 ~~consumers--or--telephone--users--within--the--incorporated--limits~~  
18 ~~of--a--city--or--town--are--served--by--the--cooperative~~  
19 ~~organization;--the--property--is--included--in--class--two;~~

20       ~~{b)--to--be--included--in--this--class;--a--dwelling--house--and~~  
21 ~~lot--on--which--it--is--erected--must--be--owned--and--occupied--by--a~~  
22 ~~resident--of--the--state;~~

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

25       ~~{ii)--who--is--rated--100%--disabled--due--to--a~~

1       ~~service--connected--disability--by--the--United--States--veterans~~  
2 ~~administration--or--its--successor;--in--the--event--of--the~~  
3 ~~veteran's--death;--the--dwelling--house--and--the--lot--on--which--it~~  
4 ~~is--erected--shall--remain--in--this--class--as--long--as--the~~  
5 ~~surviving--spouse--remains--unmarried--and--the--owner--and~~  
6 ~~occupant--of--the--property;~~

7       ~~{3)--Class--five--property--is--taxed--at--4.2%--of--its--market~~  
8 ~~value;~~

9       ~~Section--7;--there--is--a--new--RCVM--section--numbered~~  
10 ~~84-301.7--that--reads--as--follows:~~

11       ~~84-301.7--Class--six--property--description--taxable~~  
12 ~~percentages--{1)--Class--six--property--includes--moneyed--capital~~  
13 ~~and--shares--of--banks;~~

14       ~~{2)--Moneyed--capital--is--defined--as--moneys;--bonds;~~  
15 ~~notes;--and--other--evidence--of--indebtedness;--including~~  
16 ~~evidence--of--indebtedness--secured--by--mortgage--on--real--or~~  
17 ~~personal--property;--in--the--hands--of--individual--citizens--and~~  
18 ~~corporations--in--competition--with--the--business--of--national~~  
19 ~~banks--or--employed--in--conducting--a--banking--or--investment~~  
20 ~~business;~~

21       ~~{3)--in--ascertaining--the--value--of--moneyed--capital--for~~  
22 ~~taxation;--any--deposits--and--any--indebtedness--borrowed--for--use~~  
23 ~~as--moneyed--capital--are--deducted--from--the--amount--of--bonds;~~  
24 ~~notes;--and--other--evidence--of--indebtedness;~~

25       ~~{4)--in--ascertaining--the--value--of--the--shares--of--a~~

1 national bank for taxation the book value of all real  
 2 estate owned by a bank is deducted from the value of the  
 3 shares and assessed to the bank separately. The shares of  
 4 banking corporations engaged in the banking business in  
 5 Montana are assessed at 100% of book value less the book  
 6 value of the real estate, moneyed capital, and other  
 7 property of the bank that is assessed and taxed as the  
 8 property of the bank.

9 (5) Class six property is taxed at 30% of its book  
 10 value with the exception of the surplus shown on the bank's  
 11 books. The surplus to the amount of the stated capital of  
 12 the bank is taxed at 7% of its book value. The amount of  
 13 surplus in excess of the stated capital is taxed at 30%.

14 Section 84-301v is a new RCM section numbered  
 15 84-301v that reads as follows:

16 84-301v. Class seven property description  
 17 taxable percentage. (1) Class seven property includes:

- 18 (a) business inventories as defined in this section;
- 19 (b) air pollution control equipment as defined in this  
 20 section;
- 21 (c) all new industrial property as defined in this  
 22 section;
- 23 (d) a capital investment in a recognized nonfossil  
 24 form of energy generation to the extent provided under  
 25 84-7403.

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

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

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

18 (b) New industrial property is limited to industries  
 19 that:

- 20 (i) manufacture, mine, mine produce, process, or  
 21 fabricate materials;
- 22 (ii) do similar work employing capital and labor in  
 23 which materials unserviceable in their natural state are  
 24 extracted, processed, or made fit for use or are  
 25 substantially altered or treated so as to create commercial

1 products or materials; or  
 2 (iii) engage in the mechanical or chemical  
 3 transformation of materials or substances into new products  
 4 in the manner defined as manufacturing in the 1972 Standard  
 5 Industrial Classification Manual prepared by the United  
 6 States office of management and budget;  
 7 (c) New industrial property shall in no event include  
 8 (i) property used by retail or wholesale merchants,  
 9 commercial services of any type, agriculture, trades, or  
 10 professions;  
 11 (ii) a plant that will create adverse impact on  
 12 existing state, county, or municipal services;  
 13 (iii) property used or employed in any industrial plant  
 14 that has been in operation in this state for 3 years or  
 15 longer;  
 16 (b) "New industry" means any person, corporation,  
 17 firm, partnership, association, or other group that  
 18 establishes a new plant or plants in Montana for the  
 19 operation of a new industrial endeavor as distinguished  
 20 from a mere expansion, reorganization, or merger of an  
 21 existing industry or industries;  
 22 (6) The department of revenue shall promulgate rules  
 23 for the determination of what constitutes an adverse impact  
 24 taking into consideration the number of people to be  
 25 employed and the size of the community in which the location

1 is contemplated. Any person, corporation, firm, partnership,  
 2 association, or other group seeking to qualify its property  
 3 for inclusion in this class shall make application to the  
 4 department of revenue in such a manner and form as the  
 5 department requires. Once the department has made an initial  
 6 determination that the industrial facility qualifies as new  
 7 industrial property, the department shall, then upon proper  
 8 notice, hold a hearing to determine if the new industrial  
 9 classification should be retained by the property. The local  
 10 taxing authority may appear at the hearing and may waive its  
 11 objection to retention of this classification if the  
 12 industry agrees to the prepayment of taxes sufficient to  
 13 satisfy tax requirements created by the location and  
 14 construction of the facility during the construction period.  
 15 When a prepayment of taxes is required, the maximum amount  
 16 of prepayment shall be the amount of tax the industry would  
 17 have paid without the application of the class seven  
 18 percentage to such property.  
 19 (7) If a major new industrial facility qualifies under  
 20 class seven, the reduction of its yearly payment of property  
 21 taxes for reimbursement of its prepaid taxes as provided for  
 22 in 84-41-105 does not begin until the class seven  
 23 qualification expires.  
 24 (d) Class seven property shall be taxed at 4 1/2% of its  
 25 market value.

1 Section 9. There is a new RECIV section numbered  
 2 04-301w7 that reads as follows:  
 3 04-301w9. Class eight property description  
 4 taxable percentages. (i) Class eight property includes:  
 5 (a) a capital investment in a building for an energy  
 6 conservation purpose to the extent provided under 04-7403;  
 7 (b) any improvement on real property a trailer  
 8 affixed to land or a mobile home and appurtenant land not  
 9 exceeding .5 acres which together meet the following  
 10 conditions:  
 11 (i) have a market value of not more than \$27500;  
 12 (ii) are owned or under contract for deed and are  
 13 actually occupied for at least 10 months per year as the  
 14 primary residential dwelling of:  
 15 (A) a widow or widower 62 years of age or older who  
 16 qualifies under the income limitations of (c) of this  
 17 section;  
 18 (B) a widow or widower of any age with dependent  
 19 children who qualifies under the income limitations of (c)  
 20 of this section; or  
 21 (c) a recipient or recipients of retirement or  
 22 disability benefits whose total income from all sources is  
 23 not more than \$67000 a year for a single person or \$67000 a  
 24 year for a married couple.  
 25 (2) (a) A person applying for classification of

1 property under this class must make an affidavit to the  
 2 department of revenue on a form provided by the department  
 3 without cost as to:  
 4 (i) his income, if applicable;  
 5 (ii) his retirement benefits, if applicable;  
 6 (iii) his marital status, if applicable; and  
 7 (iv) the fact that he maintains the land and  
 8 improvements as his primary residential dwelling.  
 9 (b) The county welfare board may investigate the  
 10 applicant as to the answers given on the form. For the  
 11 purpose of the affidavit required for classification of  
 12 property under this class, it shall be sufficient if the  
 13 applicant signs a statement swearing to or affirming the  
 14 correctness of the information supplied whether or not the  
 15 statement is signed before a person authorized to administer  
 16 oaths, and mails the application and statement to the  
 17 department of revenue. This signed statement shall be  
 18 treated as a statement under oath or equivalent affirmation  
 19 for the purposes of 94-7-203, relating to the criminal  
 20 offense of false swearing.  
 21 (c) The assessed value of the property may not be  
 22 increased during the life of the recipient of retirement  
 23 benefits or widow or widower covered under this class  
 24 unless the owner resident makes a substantial improvement in  
 25 the dwelling.



1 (3) Class eight property is taxed at 6% of its market  
2 value.  
3 Section 10. There is a new RvCvMv section numbered  
4 84-301.10 that reads as follows:  
5 84-301.10. Class nine property description  
6 taxable percentage. (1) Class nine property includes the  
7 incremental increase in the value of real estate produced by  
8 repairing, maintaining, or improving existing improvements.  
9 (2) Class nine property is taxed at  
10 (a) 2.4% of the market value for the first full year  
11 following completion of the repair, maintenance, or  
12 improving of existing improvements;  
13 (b) 4.8% of the market value for the second full year  
14 following completion of the repair, maintenance, or  
15 improving of existing improvements;  
16 (c) 7.2% of the market value for the third full year  
17 following completion of the repair, maintenance, or  
18 improving of existing improvements;  
19 (d) 9.6% of the market value for the fourth full year  
20 following completion of the repair, maintenance, or  
21 improving of existing improvements; and  
22 (e) 12% of the market value for the fifth full year  
23 and every year thereafter following completion of the  
24 repair, maintenance, or improving of existing improvements.  
25 Section 11. There is a new RvCvMv section numbered

1 84-301.11 that reads as follows:  
2 84-301.11. Class ten property description  
3 taxable percentage. (1) Class ten property includes  
4 (a) centrally assessed utility allocations after  
5 deductions of locally assessed properties, except as  
6 provided in  
7 (i) class two for rural telephones; and  
8 (ii) class five for cooperatives;  
9 (b) all other property not included in the nine  
10 preceding classes.  
11 (2) Class ten property is taxed at 16% of its market  
12 value.  
13 Section 12. There is a new RvCvMv section numbered  
14 84-301.12 that reads as follows:  
15 84-301.12. Class eleven property description  
16 taxable percentage. (1) Class eleven property includes the  
17 annual net proceeds of all mines and mining claims, except  
18 coal mines.  
19 (2) Class eleven property is taxed at 10% of its  
20 annual net proceeds after deducting the expenses specified  
21 and allowed by 04-5463.  
22 Section 13. There is a new RvCvMv section numbered  
23 84-301.13 that reads as follows:  
24 84-301.13. Class twelve property description  
25 taxable percentage. (1) Class twelve property includes the

1 ~~annual gross proceeds of underground coal mines.~~  
2 ~~(2) Class twelve property is taxed at 33 1/3% of the~~  
3 ~~annual gross proceeds.~~  
4 ~~Section 14. There is a new R.C.M. section numbered~~  
5 ~~84-301.4 that reads as follows:~~  
6 ~~84-301.4. Class thirteen property --- description ---~~  
7 ~~taxable percentage. (1) Class thirteen property includes~~  
8 ~~the annual gross proceeds of coal mines using the~~  
9 ~~strip mining method.~~  
10 ~~(2) Class thirteen property is taxed at 45% of the~~  
11 ~~annual gross proceeds.~~  
12 ~~Section 15. There is a new R.C.M. section numbered~~  
13 ~~84-301.5 that reads as follows:~~  
14 ~~84-301.5. Class fourteen property --- description ---~~  
15 ~~taxable percentage. (1) Class fourteen property includes~~  
16 ~~agricultural land, as defined in 84-437.2.~~  
17 ~~(2) Class fourteen property is taxed at 12% of its~~  
18 ~~assessed value.~~  
19 SECTION 4. THERE IS A NEW R.C.M. SECTION NUMBERED  
20 84-301.4 THAT READS AS FOLLOWS:  
21 84-301.4. Class three property -- description --  
22 percentage. (1) Class three property includes the annual  
23 gross proceeds of coal mines using the strip mining method.  
24 (2) Class three property is taxed at 45% of its  
25 assessed value, which is 100% of annual gross proceeds.

1 SECTION 5. THERE IS A NEW R.C.M. SECTION NUMBERED  
2 84-301.5 THAT READS AS FOLLOWS:  
3 84-301.5. Class four property -- description --  
4 taxable percentage. (1) Class four property includes the  
5 annual gross proceeds of underground coal mines.  
6 (2) Class four property is taxed at 33 1/3% of its  
7 assessed value, which is 100% of annual gross proceeds.  
8 SECTION 6. THERE IS A NEW R.C.M. SECTION NUMBERED  
9 84-301.6 THAT READS AS FOLLOWS:  
10 84-301.6. Class five property -- description --  
11 taxable percentage. (1) Class five property includes moneyed  
12 capital and shares of banks.  
13 (2) Moneyed capital is defined as moneys, bonds,  
14 notes, and other evidence of indebtedness, including  
15 evidence of indebtedness secured by mortgage on real or  
16 personal property, in the hands of individual citizens and  
17 corporations in competition with the business of national  
18 banks or employed in conducting a banking or investment  
19 business.  
20 (3) In ascertaining the value of moneyed capital for  
21 taxation, any deposits and any indebtedness borrowed for use  
22 as moneyed capital are deducted from the amount of bonds,  
23 notes, and other evidence of indebtedness.  
24 (4) In ascertaining the value of the shares of a  
25 national bank for taxation, the book value of all real

1 estate owned by a bank is deducted from the value of the  
 2 shares and assessed to the bank separately. The shares of  
 3 banking corporations engaged in the banking business in  
 4 Montana are assessed at 100% of book value, less the book  
 5 value of the real estate, moneyed capital, and other  
 6 property of the bank that is assessed and taxed as the  
 7 property of the bank.

8 (5) Class five property is taxed at 30% of its book  
 9 value, with the exception of the surplus shown on the bank's  
 10 books. The surplus, to the amount of the stated capital of  
 11 the bank, is taxed at 7% of its book value. The amount of  
 12 surplus in excess of the stated capital is taxed at 30%.

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 agricultural  
 17 land, as defined in 84-437.2.

18 (2) Class six property is taxed at 30% of its assessed  
 19 value.

20 SECTION 8. THERE IS A NEW R.C.M. SECTION NUMBERED  
 21 84-301.8 THAT READS AS FOLLOWS:

22 84-301.8. Class seven property -- description --  
 23 taxable percentage. (1) Class seven property includes:

- 24 (a) centrally assessed utility allocations after  
 25 deductions of locally assessed properties, except as

1 provided in:

- 2 (i) class fourteen for rural telephones; and  
 3 (ii) class eighteen for cooperatives;  
 4 (b) all other property not included in classes one  
 5 through six and classes eight through eighteen;  
 6 (c) large trucks and commercial trailers valued in the  
 7 department of revenue's truck and commercial trailer  
 8 schedule.

9 (2) Class seven property is taxed at 16% of its market  
 10 value.

11 SECTION 9. THERE IS A NEW R.C.M. SECTION NUMBERED  
 12 84-301.9 THAT READS AS FOLLOWS:

13 84-301.9. Class eight property -- description --  
 14 taxable percentage. (1) Class eight property includes:

- 15 (a) all agricultural and other tools, implements, and  
 16 machinery except:

- 17 (i) large farm machinery included in class twelve; and  
 18 (ii) ~~tools and implements included in class fourteen;~~

19 IMPLEMENTS AND MACHINERY INCLUDED IN CLASS FOURTEEN;

- 20 (b) gas and other engines and boilers and threshing  
 21 machines and outfits used therewith;

- 22 (c) harness, saddlery, and robes;

23 (2) Class eight property is taxed at 13% of its market  
 24 value.

25 SECTION 10. THERE IS A NEW R.C.M. SECTION NUMBERED

1 ~~84-301.10 THAT READS AS FOLLOWS:~~

2 84-301.10. Class nine property -- description --  
3 taxable percentage. (1) Class nine property includes:

4 (a) automobiles, motor trucks, and other power-driven  
5 cars and vehicles of all kinds, except mobile homes,  
6 motorcycles, aircraft, camper trailers, and truck campers;

7 (b) livestock, poultry, and unprocessed products of  
8 both; and

9 (c) furniture and fixtures used in commercial, office,  
10 and motel activities, except improvements included in class  
11 thirteen.

12 (2) Class nine property is taxed at 13.3% of its  
13 market value.

14 ~~SECTION 11. THERE IS A NEW R.C.M. SECTION NUMBERED~~  
15 ~~84-301.11 THAT READS AS FOLLOWS:~~

16 84-301.11. Class ten property -- description --  
17 taxable percentage. (1) Class ten property includes:

18 (a) aerial, surface, and portable ski lifts and ski  
19 tows, including the towers, cables, ropes, sneave  
20 assemblies, conveying devices, power units, and all  
21 accessories;

22 (b) manufacturing and mining machinery, fixtures, and  
23 supplies, except those included in class eighteen; and

24 (c) camper trailers and truck campers valued in the  
25 "Official Boat Trailer Trade-in Guide Blue Book".

1 (2) Class ten property is taxed at 12% of market  
2 value.

3 ~~SECTION 12. THERE IS A NEW R.C.M. SECTION NUMBERED~~  
4 ~~84-301.12 THAT READS AS FOLLOWS:~~

5 84-301.12. Class eleven property -- description --  
6 taxable property. (1) Class eleven property includes:

7 (a) all land, except agricultural land meeting the  
8 qualification of 84-437.2;

9 (b) all improvements, except those included in classes  
10 fifteen and eighteen;

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

13 (d) all mobile homes, except:

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

16 (ii) those included in class fifteen.

17 (2) Class eleven property is taxed at 12% of its  
18 market value, OR SO MUCH OF 12% AS IS DETERMINED UNDER  
19 ~~84-309, WHICHEVER IS LESS.~~

20 ~~SECTION 13. THERE IS A NEW R.C.M. SECTION NUMBERED~~  
21 ~~84-301.13 THAT READS AS FOLLOWS:~~

22 84-301.13. Class twelve property -- description --  
23 taxable percentage. (1) Class twelve property includes:

24 (a) boats and all watercraft;

25 (b) aircraft;

1 (c) motorcycles; and  
 2 (d) large farm machinery valued in the official guide  
 3 tractors and farm implements and department valuation  
 4 schedules.

5 (2) Class twelve property is taxed at 11% of its  
 6 market value.

7 ~~SECTION 14. THERE IS A NEW R.C.M. SECTION NUMBERED~~  
 8 ~~84-301.14 THAT READS AS FOLLOWS:~~

9 84-301.14. Class thirteen property -- description --  
 10 taxable percentage. (1) Class thirteen property includes the  
 11 incremental increase in the value of real estate produced by  
 12 repairing, maintaining, or improving existing improvements.

13 (2) Class thirteen property is taxed at:

14 (a) 2.4% of the market value for the first full year  
 15 following completion of the repair, maintenance, or  
 16 improving of existing improvements;

17 (b) 4.8% of the market value for the second full year  
 18 following completion of the repair, maintenance, or  
 19 improving of existing improvements;

20 (c) 7.2% of the market value for the third full year  
 21 following completion of the repair, maintenance, or  
 22 improving of existing improvements;

23 (d) 9.6% of the market value for the fourth full year  
 24 following completion of the repair, maintenance, or  
 25 improving of existing improvements; and

1 (e) 12% of the market value for the fifth full year  
 2 and every year thereafter following completion of the  
 3 repair, maintenance, or improving of existing improvements.

4 ~~SECTION 15. THERE IS A NEW R.C.M. SECTION NUMBERED~~  
 5 ~~84-301.15 THAT READS AS FOLLOWS:~~

6 84-301.15. Class fourteen property -- description --  
 7 taxable percentage. (1) Class fourteen property includes:

8 (a) all poles, lines, transformers, transformer  
 9 stations, meters, tools, improvements, machinery and other  
 10 property, except that included in class eighteen, used and  
 11 owned by persons, firms, corporations, or other  
 12 organizations that are engaged in the business of furnishing  
 13 telephone communications exclusively to rural areas or to  
 14 rural areas and cities and towns of 800 persons or less. The  
 15 average circuit miles for each station on the telephone  
 16 communications system must be more than 1 1/4 miles to  
 17 qualify for this classification;

18 (b) tools, implements, and machinery used to repair  
 19 and maintain machinery not used for manufacturing and mining  
 20 purposes; and

21 ~~(c) electric transformers and meters and gas~~  
 22 ~~regulators and meters that are not part of the single and~~  
 23 ~~continuous property of a utility that is centrally assessed~~

24 ~~(C) ELECTRIC TRANSFORMERS AND METERS AND GAS~~  
 25 ~~REGULATORS AND METERS THAT ARE NOT PART OF THE SINGLE AND~~

1 CONTINUOUS PROPERTY OF A UTILITY THAT IS CENTRALLY ASSESSED;  
 2 AND, ELECTRIC LIGHT AND POWER SUBSTATION MACHINERY,  
 3 COMPRESSOR STATION MACHINERY, MEASURING AND REGULATING  
 4 STATION EQUIPMENT, AND TOOLS USED IN THE REPAIR AND  
 5 MAINTENANCE OF THE PROPERTY INCLUDED IN THIS SUBSECTION.

6 (2) Class fourteen is taxed at 8% of its market value.

7 SECTION 16. THERE IS A NEW R.C.M. SECTION NUMBERED  
 8 84-301.16 THAT READS AS FOLLOWS:

9 84-301.16. Class fifteen property -- description --  
 10 taxable percentage. (1) Class fifteen property includes:

11 (a) a capital investment in a building for an energy  
 12 conservation purpose, to the extent provided under 84-7403;  
 13 and

14 (b) any improvement on real property, a trailer  
 15 affixed to land, or a mobile home and appurtenant land not  
 16 exceeding 5 acres, which together meet the following  
 17 conditions:

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

19 (ii) are owned or under contract for deed and are  
 20 actually occupied for at least 10 months per year as the  
 21 primary residential dwelling of:

22 (A) a widow or widower 62 years of age or older who  
 23 qualifies under the income limitations of (C) of this  
 24 section;

25 (B) a widow or widower of any age with dependent

1 children who qualifies under the income limitations of (C)  
 2 of this section; or

3 (C) a recipient or recipients of retirement or  
 4 disability benefits whose total income from all sources is  
 5 not more than \$6,000 a year for a single person or \$6,800  
 6 for a married couple.

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

11 (i) his income, if applicable;

12 (ii) his retirement benefits, if applicable;

13 (iii) his marital status, if applicable; and

14 (iv) the fact that he maintains the land and  
 15 improvements as his primary residential dwelling.

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

1 for the purposes of 94-7-203, relating to the criminal  
2 offense of false swearing.

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

8 (3) Class fifteen property is taxed at 6% of its  
9 market value, OR IN THE CASE OF PROPERTY CLASSIFIED UNDER  
10 (1)(B) OF THIS SECTION, SO MUCH OF 6% AS IS DETERMINED UNDER  
11 84-309, WHICHEVER IS LESS.

12 SECTION 17. THERE IS A NEW R.C.M. SECTION NUMBERED  
13 84-301.17 THAT READS AS FOLLOWS:

14 84-301.17. Class sixteen property -- description --  
15 taxable percentage. (1) Class sixteen property includes:

16 (a) business inventories as defined in this section;  
17 and

18 (b) mobile machines, valued as other heavy  
19 construction equipment is valued, used in new industries, as  
20 defined in class eighteen.

21 (2) Mobile machines used in new industry are subject  
22 to the conditions imposed in class eighteen for other  
23 property used in new industries.

24 (3) "Business inventories" includes goods intended for  
25 sale or lease in the ordinary course of business and raw

1 materials and work in progress with respect to such goods.  
2 Business inventories shall not include goods leased or  
3 rented or mobile homes held by a dealer or distributor as  
4 part of his stock in trade.

5 (4) The market value of business inventories, for  
6 property tax purposes, is the cost to the person subject to  
7 the inventory tax.

8 (5) Class sixteen property is taxed at 4.2% of market  
9 value.

10 SECTION 18. THERE IS A NEW R.C.M. SECTION NUMBERED  
11 84-301.18 THAT READS AS FOLLOWS:

12 84-301.18. Class seventeen property -- description --  
13 taxable percentage. (1) Class seventeen property includes  
14 all unprocessed agricultural products on the farm or in  
15 storage, except:

16 (a) all perishable fruits and vegetables in farm  
17 storage and owned by the producer; and

18 (b) livestock and poultry and the unprocessed products  
19 of both.

20 (2) Class seventeen property is taxed at 3.5% of  
21 market value.

22 SECTION 19. THERE IS A NEW R.C.M. SECTION NUMBERED  
23 84-301.19 THAT READS AS FOLLOWS:

24 84-301.19. Class eighteen property -- description --  
25 taxable percentage. (1) Class eighteen property includes:

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

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

5 (ii) is rated 100% disabled due to a service-connected  
6 disability by the United States veterans administration or  
7 its successor. In the event of the veteran's death, the  
8 dwelling house and the lot on which it is erected shall  
9 remain in this class as long as the surviving spouse remains  
10 unmarried and the owner and occupant of the property.

11 (b) all property used and owned by cooperative rural  
12 electrical and cooperative rural telephone associations as  
13 provided in (2)(a) of this section.

14 (c) air pollution control equipment as defined in this  
15 section;

16 (d) new industrial property as defined in this  
17 section; and

18 (e) a capital investment in a recognized nonfossil  
19 form of energy generation, to the extent provided under  
20 84-7403.

21 (2) (a) The property of all cooperative rural  
22 electrical and cooperative rural telephone associations  
23 organized under the laws of Montana is included in this  
24 class; except that when less than 95% of the electricity  
25 consumers or telephone users within the incorporated limits

1 of a city or town are served by the cooperative  
2 organization, the property is included in class eighteen.

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

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

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

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

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

24 (C) engage in the mechanical or chemical  
25 transformation of materials or substances into new products



1 in the manner defined as manufacturing in the 1972 Standard  
2 Industrial Classification Manual prepared by the United  
3 States office of management and budget.

4 (ii) New industrial property does not include:

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

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

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

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

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

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

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

21 (5) Class eighteen property shall be taxed at 2.8% of  
22 its market value. ~~OR IN THE CASE OF PROPERTY CLASSIFIED~~  
23 ~~UNDER (1)(A) OF THIS SECTION, SO MUCH OF 2.8% AS IS~~  
24 ~~DETERMINED UNDER 84-309, WHICHEVER IS LESS.~~

25 Section 20. Section 84-401, R.C.M. 1947, is amended to

1 read as follows:

2 "84-401. Property--assessed-at--forty-percent-(40%)-of  
3 ~~its full-cash-value---exceptions~~ Assessments, definitions,  
4 ~~and exceptions.~~ (1) All taxable real property and  
5 improvements must be assessed at forty-percent-(40%) 100% of  
6 its full-cash market value except+ as provided in subsection  
7 (5) of this section AND in 84-429.14 THROUGH 84-429.17.

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

12 (3) The department of revenue or its agents may not  
13 adopt a lower or different standard of value from market  
14 value in making the official assessment and appraisal of the  
15 value of property in ~~classes--one--through-ten--with-the~~  
16 ~~exception-of-class-six~~ CLASS ONE AND CLASSES SEVEN THROUGH  
17 EIGHTEEN. For purposes of taxation, assessed value is the  
18 same as appraised value.

19 (4) ~~The taxable value for all property in classes--one~~  
20 ~~through--ten--with-the-exception-of-class-six~~ CLASS ONE AND  
21 CLASSES SEVEN THROUGH EIGHTEEN is the percentage of market  
22 value established for each class of property in 84-301.2  
23 through 84-301.11, excluding 84-301.7 AND 84-301.8 THROUGH  
24 84-301.19.

25 (5) The assessed value of properties in 84-301.7 and

1 ~~84-301.2 through 84-301.5~~ 84-301.3 THROUGH 84-301.7 is as  
2 follows:

3 (a) Property in ~~84-301.7~~ 84-301.6, under class six  
4 FIVE, is assessed at 100% of book value, by the method  
5 established in ~~84-301.7~~ 84-301.6, 84-4604, and 84-4605.

6 (b) Properties in section--84-301 ~~84-301.2~~  
7 84-301.3, under ~~Class-one~~ class seven IMU, shall--be are  
8 assessed at one-hundred-percent-(100%) of full-cash-value of  
9 the annual net proceeds after deducting the expenses  
10 specified and allowed by 84-5403.

11 (c) Properties in ~~84-301.2 and 84-301.4~~ 84-301.4 AND  
12 84-301.5, under classes twelve THREE and thirteen FOUR, are  
13 assessed at 100% of the annual gross proceeds.

14 (d) The--assessment--of-agricultural-lands--shall--be  
15 based-upon Properties in ~~84-301.2~~ 84-301.7, under class  
16 fourteen SIX, are assessed at 100% of the productive  
17 capacity of the lands when valued for agricultural purposes.  
18 All lands that meet the qualifications of 84-437.2 shall--be  
19 are valued as agricultural lands for tax purposes that--meet  
20 the-qualifications-of-section-84-437.2v-RvE#-1947.

21 (6) Land and the improvements thereon shall--be are  
22 separately assessed when any of the following conditions  
23 occur:

24 (a) when ownership of the improvements is different  
25 from ownership of the land;

1 (b) ~~when requested in writing by the taxpayer the~~  
2 ~~taxpayer makes a written request~~ or

3 (c) when the land is outside an incorporated city or  
4 town.

5 (7) The taxable value of all property shall be  
6 ~~determined by sections 84-301 and 84-308 in classes seven~~  
7 ~~through fourteen SIX is the percentage of assessed value~~  
8 ~~established in 84-301, 84-301.3 through 84-301.15 84-301.7~~  
9 ~~for each class of property."~~

10 Section 21. Section 11-988, R.C.M. 1947, is amended to  
11 read as follows:

12 "11-988. Power of cities and towns to acquire natural  
13 gas and distributing system therefor. The city or town  
14 council has power to contract an indebtedness of a city or  
15 town upon the credit thereof by borrowing money or issuing  
16 bonds for the construction, purchase, or development or an  
17 adequate supply of natural gas, and to construct or purchase  
18 a system of gas lines for the distribution thereof to the  
19 inhabitants of ~~said the~~ city or town or vicinity, ~~provided~~  
20 ~~that the~~ the total amount of indebtedness authorized to be  
21 contracted in any form, including the then-existing  
22 indebtedness, must not at any time exceed three-per-centum  
23 ~~(3%) 1 1/2~~ of the total ~~assessed valuation~~ taxable value of  
24 the taxable property of the city or town subject to taxation  
25 as ascertained by the last assessment for state and county

1 ~~taxes, and provided further that no~~ No money ~~must~~ may be  
2 borrowed or bonds issued for the purposes herein specified  
3 in this section until the proposition has been submitted to  
4 the vote of the taxpayers affected ~~thereby~~ of the city or  
5 town, affected thereby and the majority vote cast in its  
6 favor thereof."

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

9 "11-1011. Tax levy for band concerts. For the purpose  
10 of providing band concerts ~~as in this act provided~~, the  
11 council or other governing body in any town or city of the  
12 first, second, or third class, or of any incorporated town  
13 may assess and levy, in addition to the levy for general  
14 municipal or administrative purposes, an amount not  
15 exceeding to exceed one 1 mill on the dollar on the assessed  
16 taxable value of the taxable property of the said city or  
17 town subject to taxation."

18 Section 23. Section 11-1019, R.C.M. 1947, is amended  
19 to read as follows:

20 "11-1019. Operation of bus lines -- contracting  
21 indebtedness. Whenever a city or town is not being served by  
22 a bus company or operator, operating on a regular schedule,  
23 and under the jurisdiction of the public service commission  
24 or if such service ~~is to be or~~ is likely to be discontinued  
25 in the immediate future, the city or town council of any

1 incorporated city or town ~~shall have the power to~~ may  
 2 contract an indebtedness of any such city or town upon the  
 3 credit thereof by borrowing money or issuing bonds for the  
 4 purchase, development, operation, or leasing of motor buses  
 5 and bus lines for the transportation of passengers within  
 6 the corporate limits of such cities and towns, and to  
 7 operate the same to any point or points beyond ~~said these~~  
 8 limits not to exceed ~~eight (8)~~ eight (8) miles, measured along the  
 9 route of ~~said the~~ the bus lines, ~~provided that the~~ the total  
 10 amount of indebtedness authorized to be contracted in any  
 11 form, including the then-existing indebtedness, ~~must~~ may not  
 12 at any time exceed ~~five per centum (5%)~~ 1% of the total  
 13 ~~assessed valuation~~ taxable value of the taxable property of  
 14 the city or town subject to taxation as ascertained by the  
 15 last assessment for state and county taxes, ~~and provided~~  
 16 ~~further that no~~ no money ~~must~~ may be borrowed or bonds  
 17 issued for the purposes herein specified in this section  
 18 until the proposition has been submitted to the vote of the  
 19 taxpayers ~~affected thereby~~ of the city or town, and the  
 20 majority vote cast in its favor thereof."

21 Section 24. Section 11-1301, R.C.M. 1947, is amended  
 22 to read as follows:

23 "11-1301. Presentation of claims -- limitation of  
 24 actions. All accounts and demands against a city or town  
 25 must be presented to the council duly itemized. All claims

1 against a city or town shall contain the following  
 2 statement: "I certify that this claim is correct and just in  
 3 all respects, and that payment or credit has not been  
 4 received." Claims need not be accompanied by affidavit by  
 5 the party or his agent. These claims must be presented with  
 6 all necessary and proper vouchers, within ~~one (1)~~ one (1) year from  
 7 the date the same accrued, ~~and any~~ any claim or demand not  
 8 so presented within the this time ~~aforesaid~~ is forever  
 9 barred, and the council has no authority to allow any  
 10 account or demand not so presented, ~~nor must any~~ no action  
 11 ~~may~~ be maintained against the city or town for or on account  
 12 of any demand or claim against the ~~same~~ city or town until  
 13 such demand or claim has first been presented to the  
 14 council, ~~for action thereon provided, however, that in~~ in  
 15 case the total indebtedness of a city or town has reached  
 16 ~~three per centum (3%)~~ 1% of the total assessed valuation  
 17 taxable value of the taxable property of ~~such the~~ the city or  
 18 town, subject to taxation as ascertained by the last  
 19 assessment for state and county taxes, ~~it shall be lawful~~  
 20 ~~for and such the~~ the city or town ~~is hereby authorized and~~  
 21 ~~empowered to~~ may conduct its affairs and business on a cash  
 22 basis as provided ~~and contemplated by the next section of~~  
 23 ~~this code~~ 11-1302."

24 Section 25. Section 11-1909, R.C.M. 1947, is amended  
 25 to read as follows:

1       "11-1909. Levy of tax for volunteer fire departments.  
 2 For the purpose of supporting volunteer fire departments in  
 3 any city or town which does not have a paid fire department  
 4 and for the purpose of purchasing the necessary equipment  
 5 therefor ~~for them~~, the council in any city or town may  
 6 assess and levy, in addition to other levies permitted by  
 7 law, a special tax not exceeding two ~~(2)~~ mills on each  
 8 dollar of the assessed ~~valuation~~ taxable value of the  
 9 taxable property of the city or town ~~and provided further~~  
 10 ~~that the words "assessed valuation" as used in this section~~  
 11 ~~shall be the percentage of the true and full valuation of~~  
 12 ~~the taxable property provided in section 84-302 and shall~~  
 13 ~~not be deemed to be the true and full valuation of such~~  
 14 ~~property subject to taxation."~~

15       Section 26. Section 11-1919, R.C.M. 1947, is amended  
 16 to read as follows:

17       "11-1919. State auditor to pay fire department relief  
 18 association out of premium taxes collected from insurance  
 19 companies. (1) At the end of the fiscal year, the state  
 20 auditor shall issue and deliver to the treasurer of every  
 21 city or town of the first and second class, for the use and  
 22 benefit of the fire department relief association legally  
 23 existing in ~~every such~~ the city or town, entitled by law to  
 24 ~~receive the same, out of the premium taxes on insurance~~  
 25 ~~risks enumerated in subsection (a) collected by him,~~ an

1 amount equal to ten ~~per centum~~ ~~(10%)~~ of the total annual  
 2 compensation paid by such city or town to its paid or  
 3 part-paid firemen for services in the previous calendar  
 4 year. This amount is paid out of the premium taxes on  
 5 insurance risks enumerated in subsection (b) and collected  
 6 by the state auditor. The city clerk of each such city or  
 7 town shall certify in writing to the state auditor, on or  
 8 before April 1 of each year, the amount so paid by such the  
 9 city or town as compensation for services to paid or  
 10 part-paid firemen.

11       (2) ~~In the event of a disaster resulting in the death~~  
 12 ~~or injury sufficient to draw pension of ten percent (10%) of~~  
 13 ~~the active force when 10% of the active force, due to a~~  
 14 ~~disaster, suffers injury or death sufficient to draw pension~~  
 15 and when the fund of such the fire department relief  
 16 association after receiving all moneys as designated in  
 17 section 11-1911 and section 11-1912 and the ten ~~percent~~  
 18 ~~(10%)~~ of annual compensation as designated in this chapter  
 19 does not show at least the one ~~(1)~~ mill growth as referred  
 20 to in section 11-1912, then the treasurer of such relief  
 21 association shall request and the state auditor shall issue  
 22 and deliver to the treasurer of every city or town of the  
 23 first and second class, for the use and benefit of the fire  
 24 department relief association legally existing in every the  
 25 city or town entitled to receive the same, out ~~of the~~

1 ~~premium--tax--collected-by-him,~~ an additional amount to show  
 2 at least the ~~one-(1)-mill~~ growth referred to in section  
 3 11-1912. This amount is paid out of the premium tax  
 4 collected by the state auditor.

5 (3) In the event a city of the first or second class  
 6 is not entitled to receive a sum equal to ~~forty-five-one~~  
 7 ~~hundredths--(45/100)~~ 1 1/2 mills of its total ~~assessed~~  
 8 ~~valuation taxable value~~ under the foregoing method of  
 9 computation, ~~then--in--that--event,~~ the fire department relief  
 10 association of that city shall receive its money in the same  
 11 manner as provided below for cities of the third class.

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

1 (5) ~~The--legally--organized--and--existing--fire--department~~  
 2 ~~relief--associations--in~~ in all cities or towns where the  
 3 taxes on premiums collected and distributed pursuant to  
 4 subsection (4) above ~~is~~ are insufficient to make an amount  
 5 equal to ~~one--hundred--dollars--(\$100),~~ the fire department  
 6 relief association shall receive such ~~an~~ additional amount  
 7 from the total taxes on premiums collected from insurers  
 8 ~~authorized--to--effect--insurance--against~~ of the risks  
 9 enumerated in subsection (6) of this section as may be  
 10 necessary to make the total amount received by said ~~the~~ fire  
 11 department relief association equal to ~~--the--sum--of--one~~  
 12 ~~hundred--dollars--(\$100).~~

13 (6) The risks referred to in subsection (4) ~~above~~ are  
 14 ~~enumerated--as--follows:~~

15 (a) ~~insurance~~ insurance of houses, ~~buildings,~~ and all  
 16 ~~other--kinds--of~~ property and goods against loss or damage by  
 17 fire or other casualty; ~~and--all--kinds--of--insurance--on~~  
 18 ~~goods--merchandise--or--other--property--in--the--course--of~~  
 19 ~~transportation--whether--on--land--or--water--or--air;~~

20 (b) insurance against loss or damage to motor vehicles  
 21 resulting from accident, collision, or marine and inland  
 22 navigation and transportation perils;

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

25 (d) insurance against loss or damage by water to any

1 goods or premises arising from the breakage or leakage of  
2 sprinklers, pumps, or other apparatus;

3 ~~(e) and insurance against loss or legal liability for~~  
4 ~~loss because of damage to property caused by the use of~~  
5 ~~teams or vehicles; and whether by accident or collision or~~  
6 ~~by explosion of any engine or tank or boiler or pipe or tire~~  
7 ~~of any vehicle, and also including~~

8 ~~(f) insurance against theft of the whole or any part~~  
9 ~~of any vehicle."~~

10 Section 27. Section 11-2201, R.C.M. 1947, is amended  
11 to read as follows:

12 "11-2201. Special improvements -- powers of city  
13 council. (1) All streets, alleys, places, or courts in the  
14 municipalities of this state, now open or dedicated, or  
15 which may hereafter be opened or dedicated to public use,  
16 ~~shall be deemed and held to be~~ are open public streets,  
17 alleys, places, or courts, for the purposes of this chapter,  
18 and the city council of each municipality ~~is hereby~~  
19 ~~empowered to~~ may establish and change the grades of ~~said~~ the  
20 streets, alleys, places, or courts, and fix the width  
21 thereof, and ~~is hereby invested with jurisdiction to~~ may  
22 acquire private property for ~~right-of-way~~ right-of-way and  
23 to order to be done any of the work mentioned in this  
24 chapter under the proceedings hereinafter described.

25 ~~Further that in addition to the powers heretofore~~

1 ~~granted; when~~ (2) When the public interest or convenience  
2 requires, the governing body of a municipality may:

3 ~~(1)(a) establish~~ establish pedestrian malls;  
4 ~~(2)(b) Prohibit~~ prohibit, in whole or in part,  
5 vehicular traffic on a pedestrian mall;

6 ~~(3)(c) Pay~~ pay, from general funds of the municipality  
7 or other available moneys or from the proceeds of  
8 assessments levied on lands benefited by the establishment  
9 of a pedestrian mall, the damages, if any, allowed or  
10 awarded to any property owner by reason of the establishment  
11 of a pedestrian mall, provided that the ~~the~~ resolution of  
12 intention contains ~~must~~ must contain a statement that an  
13 assessment will be levied to pay the whole or a stated  
14 portion of such damages, if any, allowed or awarded to any  
15 property owner by reason of the establishment of such  
16 pedestrian mall;

17 ~~(4)(d) Construct~~ construct improvements on public  
18 streets which ~~that~~ have been or will be established as a  
19 pedestrian mall, improvements of any kind or nature  
20 necessary or convenient to the operation of such streets as  
21 a pedestrian mall, including but not limited to paving,  
22 sidewalks, curbs, sewers, covered walkways or areas, air  
23 conditioning, drainage works, street lighting facilities,  
24 fire protection facilities, flood protection facilities,  
25 water distribution facilities, vehicular parking areas,

1 retaining walls, landscaping, tree planting, statuary,  
 2 fountains, decorative structures, benches, rest rooms, child  
 3 care facilities, display facilities, information booths,  
 4 public assembly facilities, and other structures, works, or  
 5 improvements necessary or convenient to serve members of the  
 6 public using such pedestrian mall, including the  
 7 reconstruction or relocation of existing municipally owned  
 8 works, improvements, or facilities on such streets. Such ~~the~~  
 9 improvements or structures may be attached to abutting  
 10 private buildings or structures, provided that ~~such the~~  
 11 improvements or structures ~~shall be~~ are located on public  
 12 property.

13 ~~(c)(3) It is further provided that in addition to the~~  
 14 ~~purposes for which an improvement district may be formed as~~  
 15 ~~heretofore set forth, an~~ An improvement district may also be  
 16 formed for the sole purpose of the ~~operation, maintenance,~~  
 17 ~~repair, and improvements of~~ operating, maintaining,  
 18 repairing, and improving pedestrian malls, off-street  
 19 parking facilities, and parkings and parkways.

20 ~~(b)(4)~~ Subject to the powers granted and the  
 21 limitations contained in this section, the powers and duties  
 22 of the municipality and the procedure to be followed ~~shall~~  
 23 be are as provided in this ~~article~~ chapter for other types  
 24 of special improvement districts.

25 ~~(c)(5)~~ if a petition for the formation of an

1 improvement district under the provisions of this section is  
 2 presented to the governing body purporting to be signed by  
 3 all of the real property owners in the proposed district,  
 4 exclusive of mortgagees and other lien holders, the  
 5 governing body, after verifying such ownership and making a  
 6 finding of ~~such the~~ fact, shall adopt a resolution of  
 7 intention to order the improvement ~~pursuant to the~~  
 8 ~~provisions of section as provided in~~ 11-2204, and shall have  
 9 immediate jurisdiction to adopt the resolution ordering the  
 10 improvement pursuant to the following provisions, without  
 11 the necessity of the publication and posting of the  
 12 resolution of intention provided for in ~~section~~ 11-2204.

13 ~~(d)(6)~~ The governing body shall make annual statements  
 14 and estimates of the expenses of the district, which shall  
 15 be provided for by the levy and collection of ad valorem  
 16 taxes upon the ~~assessed~~ taxable value of all the real and  
 17 personal property in the district, shall publish notice  
 18 thereof, and shall have hearings ~~thereon on the statements~~  
 19 and estimates and adopt them ~~at the times and in the manners~~  
 20 as provided for incorporated cities and towns by the  
 21 ~~applicable portions of sections~~ 11-2204 and 11-2206. The  
 22 governing body, on or before the second Monday in August of  
 23 each year, shall fix, levy, and assess the amount to be  
 24 raised by ad valorem taxes upon all of the property of the  
 25 district. All statutes providing for the levy and collection



1 of state and county taxes, including the collection of  
2 delinquent taxes and sale of property for nonpayment of  
3 taxes, shall be applicable to the district taxes provided  
4 for under this section.

5 ~~(e)(1)~~ An improvement district formed for the purposes  
6 of establishing a pedestrian mall or off-street parking may  
7 be financed in accordance with the provisions of section  
8 11-2214~~v-R-6--H--1947~~, and/or in accordance with the  
9 methods of financing set forth for the construction of water  
10 or sewer systems as set forth in section 11-2218~~v-R-6--H--~~  
11 ~~1947~~.

12 ~~(5)(8)~~ Create the governing body may create special  
13 lighting districts on any street or streets or public  
14 highway therein or portions thereof for the purposes of  
15 lighting such ~~street or streets or public highway and is~~  
16 hereby empowered to ~~them and~~ assess such ~~the~~ costs for  
17 installation and maintenance to property abutting thereto  
18 and to collect such ~~the~~ costs by special assessment against  
19 ~~said the~~ property.

20 ~~(2)~~ Further, ~~that in addition to the powers heretofore~~  
21 ~~granted,~~ the city or town council ~~is empowered to~~ may make  
22 assessments in the manner provided in section 11-2245  
23 hereafter on property abutting ~~said the~~ street or highway  
24 and lying outside the boundaries of ~~said the~~ city or town,  
25 so as long as that portion of the street or public highway

1 to be lighted is adjacent to the boundary line of ~~said the~~  
2 city or town, or lies partially within ~~said the~~ city or  
3 town, or extends from one point within ~~said the~~ city or town  
4 to another point within ~~said the~~ city or town."

5 Section 28. Section 11-2205, R.C.M. 1947, is amended  
6 to read as follows:

7 "11-2205. Assessment of extended district including  
8 lots not fronting on improvement. Whenever the contemplated  
9 work of improvement, in the opinion of the city council, is  
10 of more than local or ordinary public benefit, or whenever,  
11 according to estimates furnished by the city engineer, the  
12 total estimated costs and expenses thereof would exceed  
13 ~~one-half 1/2~~ of the total assessed ~~taxable~~ value of the lots  
14 and lands assessed, ~~if assessed upon the lots or lands~~  
15 fronting upon said proposed work or improvement, according  
16 to the valuation fixed by the last assessment roll, ~~whereon~~  
17 ~~it was assessed for taxes for municipal purposes,~~ the city  
18 council may make charge the expenses of such ~~the~~ work or  
19 improvement chargeable upon to an extended district and  
20 which ~~that~~ may include other lots not fronting on the  
21 improvement, and which the said city council shall, in its  
22 resolution of intention, ~~declare~~ declares to be the district  
23 benefited by ~~said the~~ work or improvements and ~~to be~~  
24 ~~assessed to pay the costs and expenses thereof.~~"

25 Section 29. Section 11-2303, R.C.M. 1947, is amended

1 to read as follows:

2 "11-2303. Limitation on amount of indebtedness. No  
 3 city or town shall ~~may~~ issue bonds for any purpose in an  
 4 amount which ~~with all outstanding and unpaid indebtedness~~  
 5 will exceed ~~five-per-centum-(5%)~~ 10% of the assessed taxable  
 6 value of the taxable property therein subject to taxation,  
 7 to be ascertained by the last assessment for state and  
 8 county taxes; ~~provided, however, that for~~ for the purpose  
 9 of constructing a sewerage system, or procuring a water  
 10 supply, or constructing or acquiring a water system for a  
 11 city or town, which shall own and control ~~such~~ the water  
 12 supply and water system and devote the revenues therefrom to  
 13 the payment of the debt, a city or town may incur an  
 14 additional indebtedness by borrowing money or issuing bonds.  
 15 The additional total indebtedness which ~~that~~ may be incurred  
 16 by borrowing money or issuing bonds for the construction of  
 17 a sewerage system, or for the procurement of a water supply,  
 18 or for both such purposes, including all indebtedness  
 19 theretofore contracted, which is unpaid or outstanding,  
 20 shall ~~may~~ not in the aggregate exceed ~~ten-per-centum-(10%)~~  
 21 over and above the ~~five-per-centum-(5%)~~ 10% heretofore  
 22 referred to of the total taxable value of the taxable  
 23 property therein subject to taxation as ascertained by the  
 24 last assessment for state and county taxes. The issuing of  
 25 bonds for the purpose of funding or refunding outstanding

1 warrants or bonds shall ~~is~~ not be deemed the incurring of a  
 2 new or additional indebtedness, but shall ~~be deemed is~~  
 3 merely the changing of the evidence of outstanding  
 4 indebtedness."

5 Section 30. Section 11-3921, R.C.M. 1947, is amended  
 6 to read as follows:

7 "11-3921. Allocation of taxes. (1) Any urban renewal  
 8 plan, as defined in ~~section~~ 11-3901, may contain a provision  
 9 or be amended to contain a provision providing that taxes  
 10 levied on taxable property in an urban renewal area each  
 11 year by or for the benefit of the state, any city, county,  
 12 or other political subdivisions for which taxes are levied  
 13 ~~thereafter-referred-to-as-taxing-bodies~~ shall be allocated  
 14 after the effective date of such provision as provided in  
 15 subsections (3) and (4) of this section.

16 (2) For the purposes of this section:

17 (a) "prior assessed taxable value" means the assessed  
 18 taxable value of the taxable property in the urban renewal  
 19 area subject to taxation as shown on the assessment roll  
 20 last equalized prior to the effective date of the urban  
 21 renewal plan; ~~notwithstanding~~ Notwithstanding the  
 22 provisions of this act, any increase resulting from a  
 23 comprehensive revaluation of all property within the county  
 24 may be applied to the property for the purpose of  
 25 determining the "prior assessed taxable value".

1 (b) the word "taxes" includes, but is not limited to,  
 2 all levies on an ad valorem basis upon land or real  
 3 property;

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

6 (3) The portion of taxes produced by levies for-a  
 7 taxing-body upon the total sum of the prior assessed taxable  
 8 value of the taxable property in the urban renewal area  
 9 ~~subject to taxation~~ shall be allocated and paid into the  
 10 funds of the taxing body like taxes paid by or for the  
 11 taxing body on all other property. For the purpose of  
 12 allocating taxes levied by a taxing body that did not  
 13 include the urban renewal area on the effective date of the  
 14 provision allocating the taxes out to which the urban  
 15 renewal area has since been annexed or otherwise included,  
 16 the assessment roll of the county last equalized prior to  
 17 the effective date of the provision shall be used in  
 18 determining the prior assessed taxable value.

19 (4) The portion of taxes levied by ~~such the~~ taxing  
 20 body each year in excess of the amount levied under  
 21 subsection (3) shall be paid by the county treasurer into a  
 22 special fund held by the city treasurer to pay the principal  
 23 and interest on bonds issued under authority of ~~section~~  
 24 11-3910, except that taxes for the payment of all bonds and  
 25 interest of each taxing body must be levied against all

1 taxable property within the taxing body without limitation  
 2 by the provisions of this subsection, until the actual  
 3 assessed-valuation taxable value of all property in the  
 4 urban renewal area exceeds the prior assessed taxable value  
 5 of all taxable property within such area, the actual  
 6 assessed taxable value of all property shall be used for  
 7 taxation purposes.

8 (5) The portion of taxes allocated in subsection (4)  
 9 above, and the special fund into which they are paid, may be  
 10 pledged by a municipality for the payment of the principal  
 11 and interest on bonds issued under the authority of ~~section~~  
 12 11-3910, or bonded indebtedness, incurred by a municipality  
 13 to refinance in whole or in part, the urban renewal project.  
 14 Prior to the sale of any bonds, there shall be ~~for~~ an  
 15 election under ~~sections~~ 11-2308 and 11-2309 approving such  
 16 sale, or ~~for~~ a petition for the sale signed by the owners of  
 17 record of at least ~~fifty-one-percent--(51%)~~ of the land  
 18 within the urban renewal district.

19 (6) After all bonds and interest have been paid, all  
 20 ~~monies moneys~~ received from taxes upon property within the  
 21 urban renewal area shall be allocated as taxes on all other  
 22 property."

23 Section 31. Section 11-4111, R.C.M. 1947, is amended  
 24 to read as follows:

25 "11-4111. Levy authorized -- uses -- restrictions. (1)

1 Upon an affirmative vote of a majority of the qualified  
 2 voters voting in a city, county, or town on the question of  
 3 whether the governing body may levy a tax for economic  
 4 development, the governing body of that city, county, or  
 5 town is authorized to levy in any one election up to one  
 6 ~~{1}~~ mill upon the assessed taxable value of all the ~~taxable~~  
 7 property in the county, city, or town subject to taxation  
 8 for the purpose of economic development, for a period not to  
 9 exceed five ~~{5}~~ years, ~~by any one election.~~

10 (2) Funds derived from this levy may be used for  
 11 purchasing land for industrial parks, constructing buildings  
 12 to house manufacturing and processing operations, conducting  
 13 preliminary feasibility studies, promoting economic  
 14 development opportunities in a particular area, and other  
 15 activities generally associated with economic development.  
 16 These funds may not be used to directly assist an industry's  
 17 operations by loan or grant ~~nor~~ or to pay the salary or  
 18 salary supplements of government employees.

19 (3) The governing body of the county, city, or town  
 20 may use the funds derived from this levy to contract with  
 21 local development companies, and other associations or  
 22 organizations capable of implementing the economic  
 23 development function."

24 Section 32. Section 14-307, R.C.M. 1947, is amended to  
 25 read as follows:

1 "14-307. Lien of corporate indebtedness upon  
 2 membership lands. ~~From and after~~ After the date of the  
 3 inclusion of any land or property as a member ~~thereof~~ in any  
 4 corporation or district organized under the provisions  
 5 ~~hereof of this section~~, all mortgage or bonded indebtedness  
 6 thereafter created by such corporation or district ~~shall~~  
 7 ~~be deemed is~~ a first lien upon such ~~the~~ membership lands, to  
 8 ~~the an~~ extent of not to exceed five ~~per cent~~ 10% of the  
 9 ~~assessed valuation~~ taxable value thereof if the ~~same shall~~  
 10 ~~be land is~~ grazing or agricultural, and not to exceed ten  
 11 ~~per cent~~ 20% of the ~~assessed valuation~~ taxable value thereof  
 12 if the ~~same shall be~~ land is horticultural or  
 13 vegetable-producing lands. The recording of the copy of the  
 14 articles of incorporation or petition to become a member of  
 15 such corporation or district ~~shall be~~ is notice to all  
 16 subsequent lien claimants that ~~such the~~ lands are subject to  
 17 a first lien, ~~of not to exceed the amount specified herein~~  
 18 ~~provided. However,~~ nothing herein ~~shall in this section~~ may  
 19 be construed as placing a limit upon the indebtedness that  
 20 may be made a lien against any of the corporate or property  
 21 assets of the corporation or district, as distinguished  
 22 from membership lands individually owned, ~~and included~~  
 23 ~~therein for the purposes hereof."~~

24 Section 33. Section 16-502, R.C.M. 1947, is amended to  
 25 read as follows:

1       "16-502. Basis of taxation upon creation of new county  
2 -- terms used in law defined. For the purposes of this act,  
3 the assessed valuation of all property, whether included  
4 within the boundaries of a proposed new county, or remaining  
5 within the boundaries of any existing county or counties  
6 from which territory is taken, shall be fixed and determined  
7 on the same basis as is used for the imposition of taxes in  
8 the state of Montana, ~~to-wit-by-taking-that-percentage-of~~  
9 ~~the-true-and-fair-value-of-all-taxable-property-in-any~~  
10 ~~county-specified-by-section-84-302.~~

11       ~~Whenever-in-this-act-the-term-"assessed-valuation"-or~~  
12 ~~"valuation-based-on-the-last-assessment-not"-is-used,--said~~  
13 ~~terms--shall--be--construed--as--meaning--taxable--valuation~~  
14 ~~determined--as--herein--provided,--not--the--fair--and--true~~  
15 ~~valuation-of-property."~~

16       Section 34. Section 16-807, R.C.M. 1947, is amended to  
17 read as follows:

18       "16-807. Limit of indebtedness. No county may become  
19 indebted in any manner or for any purpose to an amount,  
20 including existing indebtedness, in the aggregate exceeding  
21 five-per-centum 18% of the assessed taxable value of the  
22 taxable property therein subject to taxation, to be as  
23 ascertained by the last assessment for state and county  
24 taxes previous to the incurring of such indebtedness, and  
25 ~~all~~ All bonds or obligations in excess of such amount given

1 by or on behalf of ~~such the~~ county are void. No county may  
2 incur any indebtedness or liability for any single purpose  
3 to an amount exceeding ~~forty--thousand-dollars-(\$40,000)~~  
4 without the approval of a majority of the electors thereof  
5 voting at an election to be provided by law, except as  
6 provided in ~~sections~~ 16-1407.1 and 16-1407.2."

7       Section 35. Section 16-808, R.C.M. 1947, is amended to  
8 read as follows:

9       "16-808. Counties indebted beyond constitutional limit  
10 may operate on cash basis. ~~That--in~~ In case the total  
11 indebtedness of a county, lawful when incurred, by ~~reason-of~~  
12 ~~great-diminution-of-assessed-value~~ exceeds the limit of five  
13 ~~per-centum--(5%)~~ 18%, by reason of great diminution of  
14 taxable value, it shall be lawful for said ~~the~~ county and it  
15 ~~is hereby authorized and empowered to thereafter manage and~~  
16 may conduct its business affairs on a cash basis and pay the  
17 reasonable and necessary current expenses of ~~said the~~ county  
18 out of the cash in the county treasury and derived from its  
19 current revenues and under such restrictions and regulations  
20 as may be imposed by the board of county commissioners of  
21 ~~said the~~ county by a resolution duly adopted and ~~spread-upon~~  
22 included in the minutes of ~~said the~~ board, ~~provided~~  
23 ~~however--that--nothing--herein--shall--restrict~~ Nothing in this  
24 section restricts the right of ~~said the~~ board to make the  
25 necessary tax levies for interest and sinking fund purposes.

1 and provided further that nothing herein shall affect in  
2 ~~this section affects~~ the right of any creditor of said the  
3 county to pursue any remedy now given him by law to obtain  
4 payment of his claim."

5 Section 36. Section 16-1152, R.C.M. 1947, is amended  
6 to read as follows:

7 "16-1152. Tax levy for payment of warrants. The board  
8 of county commissioners shall annually determine the amount  
9 of such ~~the~~ warrants drawn on the general fund for the  
10 purposes of controlling insect pests under a cropland  
11 spraying program approved by the department of agriculture,  
12 and in the succeeding year, ~~the board~~ shall levy a tax for  
13 the purpose of insect pest extermination sufficient in  
14 amount to reimburse said ~~the~~ general fund for the money so  
15 paid out on such ~~the~~ warrants, which said ~~the~~ tax shall be  
16 levied upon all the property in the county and shall not  
17 exceed ~~three (3)~~ mills on each dollar of assessed valuation  
18 taxable value. If there be ~~is~~ no money in the general fund  
19 with which to pay such warrants, they shall be registered  
20 and bear interest in the same manner as other county  
21 warrants, but in such ~~in this~~ case the interest shall be  
22 computed and added to the amount for which such tax is  
23 levied."

24 Section 37. Section 16-1412, R.C.M. 1947, is amended  
25 to read as follows:

1 "16-1412. Budget for district fairs -- consideration  
2 by county commissioners -- tax levy -- district fair fund --  
3 expenditures. (1) ~~Aside from the revenue derived from~~  
4 ~~annual fairs or other exhibitions conducted, the necessary~~  
5 ~~revenue shall be raised as follows: The~~ To raise the revenue  
6 necessary to hold district fairs, the board of directors  
7 shall meet during the first week of May of each year and  
8 shall make a budget of the amounts required in the conduct  
9 of the affairs of the district for the following year, and  
10 ~~The board shall deduct therefrom from the budget the~~  
11 probable income from the annual district fair and other  
12 exhibitions to be held by said ~~the~~ district during the  
13 following year and shall then apportion the remaining  
14 balance among the various counties forming said ~~the~~ district  
15 in proportion to the assessed property of each county as  
16 determined by the assessment rolls of the preceding year,  
17 ~~save in the case of~~ by mutual agreement of the directors,  
18 the share apportioned to the county in which the fair is  
19 being conducted, in which county the levy may by mutual  
20 agreement of the directors, may be made larger than in other  
21 counties comprising the district, and the ~~the~~ secretary  
22 shall certify to each board of county commissioners the  
23 amount of said ~~the~~ budget and the amount of revenue to be  
24 raised by such ~~the~~ county for such ~~these~~ purposes, and shall  
25 file a certified copy thereof with the clerk of the board of

1 county commissioners of each of the counties in said ~~the~~  
 2 district on or before ~~the first day of~~ June 1 of each year.  
 3 The respective boards of county commissioners of the  
 4 counties comprising ~~said the~~ district shall meet in joint  
 5 assembly with their county fair commissioners during the  
 6 first week of June of each year and ~~shall~~ jointly consider  
 7 the budget proposed by the board of directors of the  
 8 district and ~~shall~~ give such approval or suggest such  
 9 amendments or modifications as ~~to them may seem they think~~  
 10 proper and desirable.

11 (2) If the county commissioners ~~shall~~ fail to hold  
 12 such ~~the~~ joint meetings or ~~shall~~ fail to take any action,  
 13 then the budget certified by the secretary of the fair  
 14 district shall be, without further action, ~~deemed approved~~  
 15 and the sums of money apportioned to the county shall be the  
 16 sums to be raised by special levy for ~~said this~~ purpose. For  
 17 the purpose of raising the ~~aforsaid~~ revenues, the board of  
 18 county commissioners of each county in the district shall  
 19 annually make a levy to raise the required sum apportioned  
 20 to the respective counties ~~provided however that~~ ~~however,~~  
 21 the ~~said~~ levy shall not exceed ~~one (1)~~ mill on the dollar of  
 22 the ~~assessed valuation taxable value~~ of all the taxable  
 23 property in the county~~s~~, except in the case of the county in  
 24 which the fair is being conducted~~s~~, ~~in which in this~~ county,  
 25 the levy shall not exceed ~~one and one-half (1 1/2)~~ mills on

1 the dollar of taxable property in the county~~s~~, ~~in~~ In  
 2 addition ~~thereto to this levy,~~ any and all moneys available  
 3 ~~to for~~ the holding of county fairs may be allotted and  
 4 transferred to the use of the district fair as the  
 5 respective county fair commissioners may elect~~s~~, the ~~the~~  
 6 funds available to a district fair shall, on the first  
 7 Monday in August or as soon thereafter as may be possible,  
 8 be deposited with the county treasurer of the county in  
 9 which the district fair is to be held and ~~by him and~~  
 10 credited to a fund to be known as the district fair fund,  
 11 held and paid out in the same manner as the county fair  
 12 fund, except that it shall be paid out on district fair  
 13 board warrants signed by the chairman or the vice-chairman  
 14 and the secretary of the district fair board~~s~~, ~~provided that~~  
 15 the ~~the~~ treasurer of the county in which the district fair  
 16 ~~shall will~~ be held shall carry the moneys received from the  
 17 various counties in the district in the regular county fair  
 18 fund in the same manner as regular county fair moneys,  
 19 payable, however, only on district fair warrants."

20 Section 38. Section 16-2010.1, R.C.M. 1947, is amended  
 21 to read as follows:

22 "16-2010.1. Limit on city-county consolidated  
 23 indebtedness. No city-county consolidated local government  
 24 may issue bonds for any purpose which, with all outstanding  
 25 indebtedness, ~~will may~~ exceed seven-and-one-half-percent--~~(7~~

1 ~~1 1/2%~~ 2 1/2% of the assessed taxable value of the taxable  
 2 property therein subject to taxation, to be as ascertained  
 3 by the last assessment for state and county taxes,  
 4 ~~provided--however--that~~ HOWEVER, for the purpose of  
 5 constructing a sewerage system or procuring a water supply  
 6 or constructing or acquiring a water system for a  
 7 city-county consolidated government, which shall own and  
 8 control such water supply and water system and devote the  
 9 revenues therefrom to the payment of the debt, a city-county  
 10 consolidated government ~~may~~ incur an additional indebtedness  
 11 by borrowing money or issuing bonds. The additional  
 12 indebtedness, which may be incurred by borrowing money or  
 13 issuing bonds for the construction of a sewerage system or  
 14 for the procurement of a water supply, or for both such  
 15 purposes, ~~including all indebtedness theretofore contracted~~  
 16 ~~which is unpaid or outstanding~~, may not in the aggregate  
 17 exceed ~~ten percent--(10%)~~, over and above the ~~seven and~~  
 18 ~~one-half percent--(7-1/2%)~~ 2 1/2% heretofore referred to, of the  
 19 assessed taxable value of the taxable property therein  
 20 subject to taxation as ascertained by the last assessment  
 21 for state and county taxes. The issuing of bonds for the  
 22 purpose of funding or refunding outstanding warrants or  
 23 bonds is not the incurring of a new or additional  
 24 indebtedness, but is merely the changing of the evidence of  
 25 outstanding indebtedness."

1 Section 39. Section 16-4020, R.L.M. 1947, is amended  
 2 to read as follows:

3 "16-4020. Disposal of property -- leasing -- sale. (1)  
 4 Each county to which any part of an abandoned and abolished  
 5 county is attached ~~and made a part and becoming~~ becomes the  
 6 owner under the provisions of this act of the real and any  
 7 tangible personal property of ~~an the~~ abandoned and abolished  
 8 county and may use all of ~~such this~~ property for county  
 9 purposes, or may lease any of ~~such this~~ real estate, or may  
 10 sell any of ~~such the~~ real estate or personal property.

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

24 ~~(2)(3) no such real property shall~~ may be leased  
 25 unless the board of county commissioners ~~shall--present~~



1 ~~presents~~ to the judge of the district court to which the  
 2 county is attached a petition describing the real estate,  
 3 with any improvements thereon, and setting forth the terms  
 4 of the proposed lease, ~~and the same~~ The petition shall be  
 5 approved by ~~such the judge, which approval shall be endorsed~~  
 6 ~~on such petition~~ and filed in the office of the clerk of  
 7 ~~said the~~ county.

8 ~~(3)(4)~~ No real estate shall ~~may~~ be sold by ~~said the~~  
 9 board of county commissioners unless the ~~same~~ property has  
 10 been appraised within ~~one~~ 1 year immediately prior to the  
 11 date of sale by three taxpayers residing who reside within  
 12 the territory ~~embraced within the boundaries~~ of the  
 13 abandoned and abolished county, ~~and who were~~ appointed by  
 14 the judge of the district court to which the county is  
 15 attached, on petition of the board of county commissioners  
 16 of such county, ~~and every such every~~ sale of real estate  
 17 shall be made at public sale, and notice ~~of such sale~~ shall  
 18 be published once a week for at least two weeks immediately  
 19 prior to the date for holding the same, in the official  
 20 newspaper of the county, and no such real estate shall be  
 21 sold for a price less than ninety per centum (90%) of the  
 22 appraised value thereof.

23 ~~(4)(5)~~ The full purchase price of any real estate so  
 24 sold shall not be required to be made in one payment but the  
 25 purchaser thereof may pay the same in four installments, the

1 first of which shall be not less than twenty five per centum  
 2 (25%) of the purchase price to be paid at the time of  
 3 purchase, the remainder to be paid in three equal annual  
 4 installments with interest thereon at not less than five per  
 5 centum (5%) per annum. All real estate sold, with any  
 6 improvements thereon, shall be subject to assessment and  
 7 taxation annually to the purchaser or his successor in  
 8 interest, at a value equal to the amount paid on the  
 9 purchase price thereof until the purchase price is fully  
 10 paid when such real estate shall be assessed at its full  
 11 cash value, and any and all improvements placed on any such  
 12 real estate, after its purchase, shall be subject to  
 13 assessment and taxation at the full cash value thereof.  
 14 Whenever the purchase price of any real estate is to be paid  
 15 in installments the board of county commissioner shall enter  
 16 into a contract with the purchaser thereof and such contract  
 17 shall be recorded in the office of the county clerk. When  
 18 payment in full has been made for any personal property or  
 19 real estate the chairman of the board of county  
 20 commissioners shall execute and deliver the proper bill of  
 21 sale or deed to the purchaser or his successor in interest.

22 ~~(5)(6)~~ The compensation of all appraisers appointed  
 23 under the provisions of this section shall be fixed by the  
 24 district judge appointing the same. Moneys received from  
 25 leases or sales of real or personal property by any county

1 other than the county designated in the petition for  
 2 abandonment as the county to which the territory of the  
 3 abandoned county is to be allocated shall be transmitted by  
 4 the officers of such counties to the treasurer of the county  
 5 designated in such petition for abandonment.

6 ~~(c)~~<sup>(7)</sup> All moneys received from the sales of personal  
 7 property and from the leasing or sales of real estate, after  
 8 deducting therefrom the amounts paid appraisers and for  
 9 publishing notices of sale, shall be used and applied as  
 10 follows:

11 If there are any warrants issued and outstanding  
 12 against any of the funds of the abandoned and abolished  
 13 county, such moneys shall be applied in payment of such  
 14 warrants and interest;

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

20 (c) if there ~~be are~~ no such district bonds  
 21 outstanding, then such ~~the~~ moneys shall be deposited to the  
 22 credit of the sinking and interest funds for bonds issued  
 23 and outstanding when the abandoned and abolished county  
 24 ceased to exist, and

25 (d) if there ~~be are~~ no such bonds outstanding and

1 unpaid, then such ~~the~~ moneys shall be apportioned to all of  
 2 the counties to which parts of the abandoned county were  
 3 attached in the proportion which the ~~assessed--valuation~~  
 4 taxable value of the property in each such part on ~~the first~~  
 5 ~~day of January 1~~ immediately preceding the abandonment bears  
 6 to the ~~assessed-valuation~~ taxable value of all the property  
 7 in such ~~the~~ abandoned county, and ~~the apportioned moneys~~  
 8 shall be deposited in such ~~the~~ funds of such ~~each~~ county as  
 9 the boards of county commissioners of such ~~the~~ counties may  
 10 direct."

11 Section 40. Section 32-3107, R.C.M. 1947, is amended  
 12 to read as follows:

13 \*32-3107. Report of county road superintendent --  
 14 order creating district. (1) At the next annual meeting of  
 15 the board after the road superintendent has completed  
 16 surveying the road and making estimates, he shall make a  
 17 detailed report. ~~(a)~~ The report shall state that the maps,  
 18 descriptions, plans, specifications, and details and  
 19 estimates of damages, costs, and expenses have been  
 20 completed.

21 (2) The whole amount of damages, costs, and expenses  
 22 shall not exceed ~~fifty-per-cent--(50%)~~ 125% of the total  
 23 ~~assessed--valuation~~ taxable value of the parcels of land in  
 24 the district, as determined from the last annual assessment  
 25 roll of the county. If it does not, the board shall make and

1 enter upon the report an order that the road be made.

2 (3) That order shall create the local improvement  
3 district to be known and designated as local improvement  
4 district No. .... in .... county, Montana. Copies of the  
5 report shall be kept in the offices of the board and road  
6 superintendent."

7 Section 41. Section 46-1914, R.C.M. 1947, is amended  
8 to read as follows:

9 "46-1914. Levy of tax for purpose of paying for  
10 destruction of wild animals -- limitation on levy. The  
11 department of revenue shall annually prescribe the levy  
12 recommended by the department to be made against livestock  
13 of all classes for paying for the destruction of wild  
14 animals killed in this state. The tax in any one year may  
15 not exceed ~~one--and--one-half--(1-1/2)~~ 4.5 mills on the  
16 ~~assessed-valuation~~ taxable value of the livestock. The money  
17 received shall be used only for the payment of claims for  
18 the destruction of wild animals and for the administration  
19 of this act, approved by the department. The money received  
20 for the taxes levied shall be sent annually with other taxes  
21 ~~for-state-purposes~~ to the state treasurer by the county  
22 treasurer of each county, ~~and--when~~ when the money is  
23 received by the state treasurer, ~~it~~ shall be placed in the  
24 earmarked revenue fund, and ~~the-money~~ may then be paid out  
25 on claims approved under the law governing the payment of

1 claims."

2 Section 42. Section 53-114, R.C.M. 1947, is amended to  
3 read as follows:

4 "53-114. Application for registration of motor  
5 vehicles and payment of license fees thereon -- assessment  
6 of motor vehicles in the stock of licensed motor vehicle  
7 dealers as merchandise. (1) Every owner of a motor vehicle  
8 operated or driven upon the public highways of this state  
9 shall, for each motor vehicle owned, except as herein  
10 otherwise expressly provided, file, or cause to be filed, in  
11 the office of the county treasurer ~~wherein where~~ such the  
12 motor vehicle is owned or taxable, an application for  
13 registration, or reregistration, upon a blank form to be  
14 prepared and furnished by the registrar of motor vehicles, ~~which~~ the  
15 application shall contain:

16 (a) Name name and address of owner, giving county,  
17 school district, and town or city within whose corporate  
18 limits the motor vehicle is taxable;

19 (b) Name name and address of conditional sales vendor,  
20 mortgagee, or holder of other lien against ~~said the~~ motor  
21 vehicle, with statement of amount owing under such contract  
22 or lien;

23 (c) Description description of motor vehicle,  
24 including make, year model, engine or serial number,  
25 manufacturer's model or letter, gross weight, type of body,

1 and, if truck, the rated capacity;

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

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

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

16 (3) ~~Whoever A person who~~ files an application for  
17 registration or reregistration of a motor vehicle, except of  
18 a mobile home as defined in section 84-101, ~~RVCV-1947~~  
19 shall upon the filing of ~~said the~~ application ~~pay~~ to the  
20 county treasurer the registration fee, as provided in  
21 section 53-122 and section 53-115, ~~and shall also at such~~  
22 ~~time~~ ~~pay~~ the personal property taxes assessed on the new  
23 motor vehicle sales tax against ~~said the~~ vehicle for the  
24 current year of registration, ~~unless the same shall have~~  
25 been theretofore paid for ~~said the~~ year, ~~before the~~

1 application for registration or reregistration may be  
2 accepted by the county treasurer. The county treasurer ~~is~~  
3 ~~hereby empowered to may~~ make full and complete investigation  
4 of the tax status of ~~said the~~ vehicle, ~~and any~~ ~~any~~ applicant  
5 for registration or reregistration must submit proof ~~with~~  
6 ~~respect thereto~~ from the tax records of the proper county at  
7 the request of the county treasurer.

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

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

1 (6) The applicant for original registration of any  
 2 wholly new and unused motor vehicle, except a mobile home as  
 3 defined in section 84-101, R.C.M. 1947, acquired by  
 4 original contract after the first day of January 1 of any  
 5 year shall be required, whenever such vehicle has not been  
 6 otherwise assessed, to pay the motor vehicle sales tax  
 7 provided by section 32-3315, R.C.M. 1947, irrespective of  
 8 whether or not such ~~the~~ vehicle was in the state of Montana  
 9 on the first day of January 1 of such ~~the~~ year.

10 (7) Upon accepting application for registration or  
 11 reregistration of any motor vehicle which is subject to  
 12 taxation in this state on January 1 in any year and upon  
 13 payment of taxes, the county treasurer shall stamp on ~~said~~  
 14 ~~the~~ application: "taxes on this vehicle due January 1 of  
 15 current year paid by applicant, prior applicant, or owner,  
 16 and this vehicle is eligible for registration." upon  
 17 accepting application for registration of any motor vehicle  
 18 which was not subject to taxation in this state on January  
 19 1st 1 in any year, the county treasurer shall indicate ~~such~~  
 20 ~~the~~ fact by proper entry on ~~said the~~ application.

21 (8) The registrar of motor vehicles ~~shall have~~  
 22 ~~authority to~~ may make proper entry of the payment of taxes  
 23 in accord with the facts on any certificate of title to any  
 24 a motor vehicle respecting payment of taxes in accord with  
 25 the facts.

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

5 Section 43. Section 53-1025, R.C.M. 1947, is amended  
 6 to read as follows:

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

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

- 20 (a) name of owner; i
- 21 (b) address; i
- 22 (c) registration number; i
- 23 (d) name of manufacturer; i
- 24 (e) model number; i
- 25 (f) make; i

1 (g) horsepower;   
 2 (h) year of manufacture;   
 3 (i) statement evidencing assessment and payment of   
 4 property tax; and   
 5 (j) such other information as the registrar of motor   
 6 vehicles may require.   
 7 (3) ~~Said~~ ~~The~~ application shall be signed by the county   
 8 treasurer and transmitted by him to the registrar of motor   
 9 vehicles accompanied by a fee of ~~two--dollars--(\$2)~~. All   
 10 moneys collected from payment of ~~such~~ ~~the~~ fees shall be   
 11 turned over to the state treasurer and placed ~~by-him~~ in the   
 12 earmarked revenue fund to the credit of the state fish and   
 13 game commission, with ~~one-dollar-(\$1)~~ designated for use in   
 14 enforcing the purposes of this act and ~~one-dollar-(\$1)~~   
 15 designated for use in developing snowmobile facilities. Upon   
 16 receipt of the application in approved form, the registrar   
 17 of motor vehicles or county treasurer shall issue to the   
 18 applicant a decal in the style and design prescribed by the   
 19 registrar of motor vehicles and of a different color than   
 20 the preceding year, numbered ~~numerically~~ in sequence.   
 21 ~~(b)(4)~~ Before filing the application with the county   
 22 treasurer, the applicant shall submit ~~the same~~ it to the   
 23 county assessor of the county and the county assessor shall   
 24 enter on the application in a place provided for that   
 25 purpose, the ~~full-and-true~~ market ~~and--assessed--valuation~~

1 value AND TAXABLE VALUE of the snowmobile for the year for   
 2 which the application is made.   
 3 ~~(5)~~ The applicant shall pay the county treasurer   
 4 the application fee and ~~shall-also-pay~~ the personal property   
 5 taxes assessed against the snowmobile for the current year   
 6 before the application for registration or reregistration   
 7 may be accepted by the county treasurer."   
 8 Section 44. Section 69-3504, K.C.M. 1947, is amended   
 9 to read as follows:   
 10 "69-3504. Identification number. ~~(1)~~ The owner of   
 11 each motorboat requiring numbering by this state shall file   
 12 an application for number in the office of the county   
 13 treasurer ~~wherein~~ where the motorboat or vessel is owned or   
 14 taxable, on forms prepared and furnished by the registrar of   
 15 motor vehicles. The application shall be signed by the owner   
 16 of the motorboat and shall be accompanied by a fee of one   
 17 ~~(\$1)--dollar~~. Any alteration, change, or false statement   
 18 contained in the application for certificate of registration   
 19 will render the certificate of number null and void. Upon   
 20 receipt of the application in approved form, the county   
 21 treasurer shall issue to the applicant a certificate of   
 22 number prepared and furnished by the registrar of motor   
 23 vehicles, stating the number awarded to the motorboat and   
 24 the name and address of the owner. The number awarded must   
 25 be painted on or attached to each outboard side of the

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

1 must be carried on board livery motorboats in place of the  
 2 certificate of number.

3 (b)(2) Before filing such the application with the  
 4 county treasurer, the applicant shall submit the same it to  
 5 the county assessor of said the county and said the county  
 6 assessor shall enter on said the application in a space to  
 7 be provided for that purpose, the full and true and assessed  
 8 valuation market value AND TAXABLE VALUE of said the vehicle  
 9 for the year for which said the application for registration  
 10 is made.

11 (c)(3) The applicant shall, upon the filing of the  
 12 application, pay to the county treasurer, the registration  
 13 fee and shall also pay the personal property taxes assessed  
 14 against the motorboat or vessel for the current year of  
 15 registration before the application for registration or  
 16 reregistration may be accepted by the county treasurer.

17 (d) The numbering requirements of this act shall apply  
 18 to motorboats operated by dealers, manufacturers or their  
 19 employees as follows:

20 (1)(4) A dealer or manufacturer may apply directly to  
 21 the registrar of motor vehicles for one (1) identifying  
 22 number and one (1) or more certificates of number. A  
 23 dealer's or manufacturer's identifying number shall be  
 24 displayed on a dealer's or manufacturer's his boat while the  
 25 boat is operating for a purpose related to the buying,

1 selling, or exchanging of the boat by the dealer or  
 2 ~~manufacturer.~~ (2) The application for a dealer's or  
 3 manufacturer's identifying number shall include the his name  
 4 ~~of the dealer or manufacturer~~ and the business address of  
 5 ~~the dealer or manufacturer.~~ Each dealer or manufacturer  
 6 ~~shall will~~ have one (1) identifying number assigned to his  
 7 business. (3) An application for dealer's or manufacturer's  
 8 identifying number and certificate of number shall ~~must~~ be  
 9 accompanied by the following fees:

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

12 (1)(b) for each additional certificate of number and  
 13 set of license decals applied for in any application, ~~two~~  
 14 ~~dollars~~ (\$2).

15 (4)(2) The registrar of motor vehicles shall issue  
 16 certificates of number for ~~the~~ identifying number awarded to  
 17 a dealer or manufacturer in the same manner as provided in  
 18 ~~section~~ 69-3504(a), except that no boat shall be described  
 19 in the certificate and each certificate shall state that the  
 20 identifying number has been awarded to a dealer or  
 21 manufacturer. A dealer's or manufacturer's certificate of  
 22 number expires on April 30 of the year for which it is  
 23 issued. (5) A dealer's or manufacturer's identifying number  
 24 shall be displayed in the same manner as provided in ~~section~~  
 25 69-3504(a) of this act, except that the number may be

1 temporarily attached, and that the last three (3) letters  
 2 shall be "DLR" for dealer and "MFR" for manufacturer, ~~these~~  
 3 ~~These~~ letters shall be included, respectively, in dealer or  
 4 manufacturer identification numbers only. (6) No person  
 5 other than a dealer or manufacturer or an employee of a  
 6 dealer or manufacturer shall display or use a dealer's or  
 7 manufacturer's identifying number. A dealer's or  
 8 manufacturer's identifying number may be displayed only on  
 9 motorboats owned by the dealer or manufacturer. (7) No  
 10 dealer or manufacturer or employee of a dealer or  
 11 manufacturer shall ~~may~~ use a dealer's or manufacturer's  
 12 identifying number for any purpose other than the purpose  
 13 described in subsection (4) of this section.

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

25 (9)(7) Should the ownership of a motorboat change,



1 ~~within a reasonable time~~ a new application form with fee  
2 shall be filed within a reasonable time with the county  
3 treasurer and a new certificate of number shall be awarded  
4 in the same manner as provided for in an original award of  
5 number.

6 ~~(g)(8)~~ If an agency of the United States government  
7 has in force ~~an over-all~~ a comprehensive system of  
8 identification numbering for motorboats in the United  
9 States, the numbering system employed pursuant to this act  
10 by the registrar of motor vehicles shall be in conformity  
11 therewith.

12 ~~(h)(9)~~ Every certificate of number and the license  
13 decals awarded under this act shall continue in effect for a  
14 period not to exceed ~~one (1) year~~ unless sooner terminated  
15 or discontinued in accordance with the provisions of this  
16 act. Certificates of number and license decals shall show  
17 the date of expiration ~~thereon~~ and may be renewed by the  
18 owner in the same manner provided for in the initial  
19 securing of the certificate.

20 ~~(i)(10)~~ Certificates of number ~~and~~ shall expire on  
21 April 30 of each ~~calendar~~ year and shall no longer may not  
22 be ~~of any~~ in effect unless renewed under this act.

23 ~~(j)(11)~~ In event of transfer of ownership, the  
24 purchaser shall furnish the county treasurer notice within  
25 reasonable time of the acquisition of all or any part of his

1 interest, other than the creation of a security interest, in  
2 a motorboat numbered in this state ~~under this section~~ or of  
3 the loss, theft, destruction, or abandonment of the  
4 motorboat ~~within a reasonable time thereof~~. Such ~~the~~  
5 transfer, loss, theft, destruction, or abandonment shall  
6 ~~terminate~~ terminates the certificate of number for the  
7 motorboat, ~~except that in the case of a recovery~~ Recovery  
8 from theft or transfer of a part interest ~~which that~~ does  
9 not affect the owner's right to operate the motorboat, ~~the~~  
10 ~~recovery or transfer~~ does not terminate the certificate of  
11 number.

12 ~~(k)(12)~~ A holder of a certificate of number shall  
13 notify the county treasurer within reasonable time if his  
14 address no longer conforms to the address appearing on the  
15 certificate and shall ~~as a part of the notification~~  
16 furnish the county treasurer with his new address. The  
17 registrar of motor vehicles may provide in ~~its~~ bureau rules  
18 for the surrender of the certificate bearing the former  
19 address and its replacement with a certificate bearing the  
20 new address or the alteration of an outstanding certificate  
21 to show the new address of the holder.

22 ~~(l)(13)~~ No number other than the number and license  
23 decal awarded to a motorboat or granted reciprocity under  
24 this act shall be painted, attached, or otherwise displayed  
25 on either side of the forward half of the motorboat.

1 ~~(n)(14)~~ Fees collected under this section shall be  
 2 transmitted to the state treasurer who shall deposit the  
 3 fees in the motorboat certificate identification account of  
 4 an earmarked revenue fund. These fees shall be used only for  
 5 the administration and enforcement of sections 69-3501  
 6 through 69-3516.

7 ~~(n)(15)~~ An owner of a motorboat must within reasonable  
 8 time notify the registrar of motor vehicles, giving the  
 9 motorboat's identifying number and the owner's name, ~~within~~  
 10 ~~reasonable-time~~ when that motorboat becomes documented as a  
 11 vessel of the United States, or is transferred, lost,  
 12 destroyed, abandoned, frauded, or within ~~sixty~~ ~~(60)~~ days  
 13 after change of state of principal use."

14 Section 45. Section 75-7104, R.C.M. 1947, is amended  
 15 to read as follows:

16 "75-7104. Limitations on amount of bond issue. (1) The  
 17 maximum amount for which each school district ~~shall~~ may  
 18 become indebted by the issuance of bonds, including all  
 19 indebtedness represented by outstanding bonds of previous  
 20 issues and registered warrants, is ~~eight-percent~~ ~~(8%)~~ 29% of  
 21 the assessed taxable value of the taxable property therein  
 22 subject to taxation as ascertained by the last completed  
 23 assessment for state, county, and school taxes previous to  
 24 the incurring of such indebtedness. The ~~eight-percent~~ ~~(8%)~~  
 25 29% maximum, however, ~~shall~~ may not pertain to indebtedness

1 imposed by special improvement district obligations or  
 2 assessments against the school district. All bonds issued  
 3 in excess of such amount shall be null and void, except as  
 4 provided in ~~subsection~~ ~~(2)~~ this section.

5 ~~(2)~~ When the total indebtedness of a school district  
 6 has reached the ~~eight-percent~~ ~~(8%)~~ 29% limitation prescribed  
 7 in this section, ~~such~~ ~~the~~ school district ~~shall have the~~  
 8 ~~power and authority to~~ may pay all reasonable and necessary  
 9 expenses of the school district on a cash basis in  
 10 accordance with the financial administration provisions of  
 11 this ~~title~~ chapter. Whenever bonds are issued for the  
 12 purpose of refunding bonds, any moneys to the credit of the  
 13 debt service fund for the payment of the bonds to be  
 14 refunded ~~shall be~~ are applied towards the payment of such  
 15 bonds and the refunding bond issue ~~shall be~~ is decreased  
 16 accordingly.

17 ~~(3)~~ In ~~the case of~~ a school district within which a  
 18 new major industrial facility which seeks to qualify for  
 19 taxation as class ~~seven~~ ~~(7)~~ EIGHTEEN property under ~~section~~  
 20 ~~84-301, R.C.M. 1947, 84-301.8 84-301.12~~ is being constructed  
 21 or is about to be constructed, the school district may  
 22 require, as a precondition of the new major industrial  
 23 facility qualifying as class ~~seven~~ ~~(7)~~ EIGHTEEN property,  
 24 that the owners of the proposed industrial facility enter  
 25 into an agreement with the school district concerning the

1 issuing of bonds in excess of the ~~eight-percent-(8%)~~ 22%  
 2 limitation prescribed in ~~subsection-one--(1)~~ this section.  
 3 Under such an agreement, the school district may, with the  
 4 approval of the voters, issue bonds which exceed the  
 5 limitation prescribed in ~~subsection-one-(1)~~ this section by  
 6 a maximum of ~~eight-percent--(8%)~~ 22% of the estimated  
 7 assessed taxable value of the ~~taxable~~ property of the new  
 8 major industrial facility subject to taxation when  
 9 completed. The estimated ~~assessed taxable~~ value of the  
 10 ~~taxable~~ property of the new major industrial facility  
 11 subject to taxation shall be computed by the department of  
 12 revenue when requested to do so by a resolution of the board  
 13 of trustees of the school district, and a copy of the  
 14 department's statement of estimated ~~assessed taxable~~ value  
 15 shall be printed on each ballot used to vote on a bond issue  
 16 proposed under this ~~subsection section~~.

17 (4) Pursuant to the agreement between the new major  
 18 industrial facility and the school district, and as a  
 19 precondition to qualifying as class seven--~~(7)~~ EIGHTEEN  
 20 property, the new major industrial facility and its owners  
 21 shall pay in addition to ~~such the~~ taxes ~~as may be~~ imposed  
 22 by the school district on property owners generally pay, so  
 23 much of the principal and ~~interests~~ interest on the bonds  
 24 provided for under this ~~subsection section~~ as shall  
 25 represent represents payment on an indebtedness in excess of

1 the limitation prescribed in ~~subsection-one--(1)~~ this  
 2 section. After the completion of the new major industrial  
 3 facility and when the indebtedness of the school district no  
 4 longer exceeds the limitation prescribed in ~~subsection-one~~  
 5 ~~(1)~~ this section, the new major industrial facility shall be  
 6 entitled, after all the current indebtedness of the school  
 7 district has been paid, to a tax credit over a period of no  
 8 more than ~~twenty--(20)~~ years, which ~~the~~ credit shall, as a  
 9 total amount, be equal to the amount by which the facility  
 10 paid the principal and interest of the school district's  
 11 bonds in excess of its general liability as a taxpayer  
 12 within the district.

13 (5) A major industrial facility is a facility, subject  
 14 to the taxing power of the school district, whose  
 15 construction or operation will increase the population of  
 16 the district, ~~so-as-to-impose~~ imposing a significant burden  
 17 upon the resources of the district and ~~to-require~~ requiring  
 18 construction of new school facilities. A significant burden  
 19 is an increase in ANB of at least ~~twenty-percent-(20%)~~ in a  
 20 single year."

21 Section 46. Section 75-8104, R.C.M. 1947, is amended  
 22 to read as follows:

23 "75-8104. Requirements for organization of community  
 24 college district. The registered electors in any area of the  
 25 state of Montana may request an election for the

1 organization of a community college district where the  
 2 proposed community college district conforms to the  
 3 following requirements:

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

7 (2) The ~~assessed-valuation taxable value~~ of the  
 8 proposed area is at least ~~thirty-million-dollars~~  
 9 ~~{30,000,000}~~ 10 million.

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

13 Section 47. Section 84-101, R.C.M. 1947, is amended to  
 14 read as follows:

15 "84-101. Definition of terms. ~~Whenever the when~~ terms  
 16 mentioned in this section are employed ~~in dealing with the~~  
 17 ~~subject of~~ used in connection with taxation, they are  
 18 ~~employed in the sense hereafter affixed to them~~ defined in  
 19 the following manner:

20 ~~First--~~ (1) The term "property" includes moneys,  
 21 credits, bonds, stocks, franchises, and all other matters  
 22 and things real, personal, and mixed, capable of private  
 23 ownership, ~~but this~~ this definition must not be construed  
 24 ~~so as~~ to authorize the taxation of the stocks of any company  
 25 or corporation when the property of such company or

1 corporation represented by ~~such the~~ stocks is within the  
 2 state and has been taxed.

3 ~~Second--~~ (2) The term "real estate" includes:

4 ~~1-(a)~~ The ~~the~~ possession of, claim to, ownership of,  
 5 or right to the possession of land;

6 ~~2-(b)~~ ~~All~~ all mines, minerals, and quarries in and  
 7 under the land, subject to the provisions of section  
 8 84-5401; all timber belonging to individuals or  
 9 corporations growing or being on the lands of the United  
 10 States; and all ~~right~~ rights and privileges appertaining  
 11 thereto.

12 ~~3--~~ improvements

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

1 Fourth--(4) The term "personal property" includes  
2 everything ~~which that~~ is the subject of ownership ~~but that~~  
3 ~~is~~ not included within the meaning of the term "real estate"  
4 and "improvements".

5 Fifth--~~The terms "value" and "full cash value" mean the~~  
6 ~~amount at which the property would be taken in payment of a~~  
7 ~~just debt due from a solvent debtor.~~

8 Sixth--(5) The term "credit" means those solvent  
9 debts, secured or unsecured, owing to a person.

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

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

17 (8) The term "taxable value" means the percentage of  
18 assessed value as provided for in 84-301.2 through 84-301.19  
19 and 84-308 84-301.19."

20 Section 48. Section 84-402, R.C.M. 1947, is amended to  
21 read as follows:

22 "84-402. Department-of-revenue-to-determine--and--show  
23 percentage--basis--and--taxable--value--computed--thereon--and  
24 county county assessor to be agents agent of the state  
25 department of revenue. (1)-The-percentage-basis-of-true-and

1 full-value-as-provided--for--in--section--84-302v--shall--be  
2 determined--and--assigned--by--the--state--department--of--revenue  
3 or-its-agents, and the taxable value thereupon computed when  
4 they make their annual assessments, and copies of such  
5 assessments as provided for in section 84-411 shall show the  
6 taxpayer the percentage class to which his various classes  
7 of property for taxation and the taxable valuation thereof  
8 have been assigned. (2)(1) The county assessors of the  
9 various counties of the state of Montana are agents of the  
10 state department of revenue for the purpose of locating, and  
11 providing the department a description of all taxable  
12 property within the county together with other pertinent  
13 information, and for the purpose of performing such other  
14 administrative duties as are required for placing taxable  
15 property on the assessment rolls. The assessors shall  
16 perform such other duties as are required by law, not in  
17 conflict with the provisions of this subsection.

18 (3)(2) The department of revenue shall have full  
19 charge of appraising assessing all property subject to  
20 taxation and equalizing values and shall secure such  
21 personnel as is necessary to properly perform their its  
22 duties.

23 (4)(1) The ~~salaries~~ salary of the county assessor  
24 shall be the same amount as provided by law for the salary  
25 of the county clerk and recorder; deputy assessors' salaries

1 shall be the same as paid the deputy clerk and recorder.

2 ~~(5)(14)~~ The county commissioners of the various  
3 counties shall provide existing office space in the county  
4 courthouse for use by the county assessor, his deputies and  
5 staff, and the state appraiser and staff, if such space is  
6 reasonably available; ~~if~~ if such space is not reasonably  
7 available in the courthouse and the same must be contracted  
8 for, the department shall pay the cost thereof. Additional  
9 personal property required by the department for the  
10 assessor to perform his duties as agent of the department  
11 shall be provided by the department."

12 Section 49. Section 84-404, R.C.M. 1947, is amended to  
13 read as follows:

14 "84-404. ~~State--department~~ Department of revenue to  
15 assign percentage basis, ~~==~~ when. The percentage basis of  
16 ~~true--and--full~~ assessed value as provided for in section  
17 ~~84-302, shall be 84-301.2 through 84-301.15--and--84-308~~  
18 ~~84-301.19~~ is determined and assigned by the state department  
19 of revenue ~~or its agent~~ when it makes its annual assessment  
20 of the property, ~~which-it-is~~ required to assess under the  
21 laws of this state, and ~~the department~~ shall transmit such  
22 determination and assignment to the various county clerks  
23 with the assessments so made, and its determination ~~shall be~~  
24 is final except as to the right of review in the proper  
25 court."

1 Section 50. Section 84-406, R.C.M. 1947, is amended to  
2 read as follows:

3 "~~84-406. Time--of--assessment-----motor--vehicles---~~  
4 ~~mobile-homes---livestock---snowmobiles~~ General assessment  
5 day. (1) The department of revenue or its agent must,  
6 ~~between the first day of January 1 and the second Monday of~~  
7 July in each year, ascertain the names of all taxable  
8 inhabitants, and assess all property in each county subject  
9 to taxation, ~~except such as is required to be assessed by~~  
10 ~~the state department of revenue and the department or its~~  
11 agent must assess such property to the person person by  
12 whom it was owned or claimed, or in whose possession or  
13 control it was at 12 midnight of ~~the first day of January 1~~  
14 next preceding. It must also ascertain and assess all  
15 mobile homes arriving in the county after 12 midnight of ~~the~~  
16 ~~first day of January 1~~ next preceding.

17 (2) The procedure provided by this section ~~shall~~ may  
18 not apply to:

19 (a) Motor ~~motor~~ vehicles ~~which~~ that are required by  
20 ~~subdivision (2) hereof~~ subsection (4) to be assessed ~~as of~~  
21 ~~the first day of on~~ January 1, or upon their anniversary  
22 registration date, ~~but--no~~ No mistake in the name of the  
23 owner or supposed owner of real property, ~~however,~~ renders  
24 the assessment thereof invalid.

25 (b) Livestock livestock which are required by

1 ~~subdivision--(3)~~ subsection (5) of this section to be  
2 assessed on an average inventory basis in each county;  
3 ~~Credits must be assessed as provided in section 84-101~~  
4 ~~subdivision 6v~~

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

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

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

13 ~~(f)(e) Snowmobiles which snowmobiles that~~ are required  
14 by ~~subdivision 5 hereof~~ subsection (H) to be assessed as of  
15 ~~the first day of July 1.~~

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

18 ~~(2)(4)~~ The department or its agent must ascertain and  
19 assess all motor vehicles, except mobile homes, in each  
20 county subject to taxation as of January 1, or as of the  
21 anniversary registration date of those vehicles subject to  
22 sections 53-154 through 53-162, in each year, ~~and the same~~  
23 The motor vehicles shall be assessed to the persons by whom  
24 owned or claimed, or in whose possession or control such  
25 ~~vehicle was they were~~ at 12 midnight of the ~~first~~ day of

1 January 1 or the anniversary registration date thereof,  
2 whichever is applicable, in each year. ~~Provided that such No~~  
3 ~~tax shall not may~~ be assessed against motor vehicles which  
4 ~~that~~ constitute inventory of motor vehicle dealers as of  
5 January 1, ~~but said these~~ vehicles, and all other motor  
6 vehicles brought into the state subsequent to January 1, as  
7 motor vehicle dealer's ~~dealers' inventory, inventories~~ shall  
8 be assessed to their respective purchasers as of the dates  
9 ~~said the~~ vehicles are registered by ~~said the~~ purchasers,  
10 ~~and purchasers means and "Purchasers"~~ includes dealers who  
11 apply for registration or re-registration reregistration of  
12 motor vehicles, except as otherwise provided by section  
13 32-3315. Goods, wares, and merchandise of motor vehicle  
14 dealers, other than new motor vehicles and new mobile homes,  
15 shall be assessed at ~~full and true~~ market value as of the  
16 ~~first day of~~ January 1.

17 (5) Except that this paragraph shall not apply to an  
18 applicant for registration or re-registration of a mobile  
19 home, nothing herein contained shall relieve the  
20 applicant for registration or re-registration reregistration  
21 of any other a motor vehicle, other than a mobile home, is  
22 not relieved so assessed or subject to assessment of the  
23 duty of paying taxes thereon as a condition precedent to  
24 registration or re-registration in the event said if the  
25 taxes have not been paid by any a prior applicant or owner

1 in all cases where ~~taxes were~~ required to be paid.

2 ~~(3)(e)~~ The assessed value of livestock in each county  
 3 on the assessment date ~~shall be~~ is computed by adding the  
 4 assessed value of all livestock more than nine ~~(9)~~ months of  
 5 age owned by the taxpayer in each county on the last day of  
 6 each month since the last assessment date and dividing the  
 7 sum by twelve ~~(12)~~. For purposes of this ~~subdivision~~  
 8 ~~subsection~~, "livestock" means cattle, sheep, horses, and  
 9 mules.

10 ~~(4)(f)~~ The department of revenue or its agent must  
 11 ~~ascertain and~~ assess all campers in each county subject to  
 12 taxation as of January 1 in each year, ~~and the same~~ the  
 13 ~~campers~~ shall be assessed to the persons including dealers  
 14 by whom owned or claimed, or in whose possession or control  
 15 ~~such camper was including dealers, they were~~ at 12 midnight  
 16 of the first day of January 1 in each year.

17 ~~(5)(b)~~ The department of revenue or its agent must  
 18 ~~ascertain and~~ assess all snowmobiles in each county subject  
 19 to taxation as of July 1 in each year, ~~and the same~~ a  
 20 ~~snowmobile~~ shall be assessed to the persons person by whom  
 21 owned or claimed, or in whose possession or control such  
 22 ~~snowmobile~~ is was at 12 midnight on the first day of July 1  
 23 in each year, ~~provided, however, that~~ except snowmobiles  
 24 ~~which constitute in the~~ inventory of snowmobile dealers  
 25 ~~which~~ shall be assessed to the dealers as of 12 midnight of

1 the ~~first day~~ of January 1 in each year ~~and further~~  
 2 ~~provided that all snowmobiles that have been assessed and~~  
 3 ~~for which taxes have been paid for the period of January 1~~  
 4 ~~1975 through December 31, 1975, shall be assessed for only~~  
 5 ~~six (6) months during the period July 1, 1975 through June~~  
 6 ~~30, 1976."~~

7 Section 51. Section 84-602, R.L.M. 1947, is amended to  
 8 read as follows:

9 "84-602. Equalization of assessments. ~~The department~~  
 10 ~~of revenue has power after~~ After giving notice in writing  
 11 to the a taxpayer, by registered or certified mail  
 12 addressed to him at his last known place of residence, of  
 13 its intention, to the department of revenue may increase or  
 14 lower his the taxpayer's assessment contained in the  
 15 assessment book, ~~so as~~ to equalize the assessment of the  
 16 property contained therein and make the assessment conform  
 17 to the true assessed value of such property in money, as  
 18 defined in 84-401 and 84-204, which the notice shall specify  
 19 the date and hour when he the taxpayer may appear and be  
 20 heard thereon, which date shall at a date and hour not be  
 21 less than five ~~(5)~~ days from date of mailing such the  
 22 notice, ~~and immediately~~ immediately after reaching a  
 23 decision, the department shall notify the taxpayer in  
 24 writing of such the decision, specifying the change, if  
 25 any, made in the assessment, and the notice to must be



1 given by registered or certified mail, and addressed to the  
 2 taxpayer at his last known place of residence. The  
 3 department ~~may~~ also ~~has power to~~ raise or lower the  
 4 valuation of all the property in a class by a certain  
 5 percentage, ~~in the event that~~ if any class of property is  
 6 assessed as a class, at more or less than its actual  
 7 ~~assessed value as defined by 84-401 by its~~ the department's  
 8 agent and if the valuation of such property within the  
 9 county demands a general reclassification."

10 Section 52. Section 84-708.1, K.C.M. 1947, is amended  
 11 to read as follows:

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

1 of mileage, the department may adopt such ~~any~~ other method  
 2 or basis of apportionment to the county or counties in which  
 3 the property is situated as may be just and proper.

4 ~~(2) The department may not consider the following~~  
 5 ~~property as part of any single or continuous property:~~ lots  
 6 and parcels of real estate not included in ~~right-of-way~~  
 7 ~~right-of-way~~, with the buildings, structures, and  
 8 improvements thereon; dams and power houses, depots,  
 9 stations, shops, and other buildings, erected upon ~~right-of~~  
 10 ~~way~~ ~~right-of-way~~; and furniture, machinery, and other  
 11 personal property, ~~shall not be considered as a part of any~~  
 12 ~~such single and continuous property, but shall be considered~~  
 13 ~~as separate and distinct therefrom, and shall be~~ ~~the~~  
 14 ~~property is considered separate and distinct and is~~ assessed  
 15 by the agent of the department of revenue in the county  
 16 ~~wherein they are situate~~ ~~where it is situated~~.

17 ~~(3) To~~ ~~The department shall~~ transmit to the county  
 18 clerk of each county its apportionment of all assessments  
 19 made by the department.

20 ~~(4) To~~ ~~The department shall~~ adjust and equalize the  
 21 valuation of taxable property among the several counties,  
 22 and the different classes of taxable property in any county  
 23 and in the several counties and between individual  
 24 taxpayers; supervise and review the acts of agents of the  
 25 department; change, increase, or decrease valuations made by

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

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

1 appraisers to ~~shall attend and the cost of their attendance~~  
 2 ~~shall be borne by the state.~~

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

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

17 ~~†††(8) To the department shall~~ require county  
 18 attorneys to assist in the commencement and prosecution of  
 19 actions and proceedings for penalties, forfeitures,  
 20 removals, and punishment for violations of the laws of the  
 21 state in respect to the assessment of property and other  
 22 revenue laws, in their respective counties.

23 ~~†††(9) To the department shall~~ collect annually from  
 24 the proper officers of the municipal corporations  
 25 information ~~as to~~ about the assessment of property,

1 collection of taxes, receipts from licenses and other  
 2 sources, the expenditure of public funds for all purposes,  
 3 and such other information as may be needful and helpful in  
 4 the work of the department in such form and upon such blanks  
 5 as the department shall prescribe, and it shall be the  
 6 duty of all public officers so called upon to fill out  
 7 properly and return promptly to the department all blanks so  
 8 transmitted and in every way aid the department in its  
 9 work, ~~to~~ The department may examine the records of all  
 10 municipal corporations for such purposes as are deemed  
 11 needful or helpful ~~by the department.~~

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

1 ~~so paid,~~ the attorney general shall institute an action, in  
 2 the proper court, against the municipality to recover the  
 3 same. The officers responsible for the furnishing of the  
 4 information collected pursuant to this section shall be  
 5 jointly and severally liable for any loss the municipality  
 6 may suffer, through their delinquency, ~~and-no~~ no payment  
 7 shall may be made to them for salary, or on any other  
 8 account, until the cost of such inspection and examination  
 9 as provided above ~~shall--have~~ has been paid into the  
 10 treasury, or to the proper officers of such municipality.  
 11 They shall also be subject to ~~such~~ the other fines and  
 12 penalties as prescribed by law.

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

21 ~~(11)(12)~~ to ~~The department may~~ summon witnesses to  
 22 appear and give evidence, and to produce records, books,  
 23 papers, and documents relating to any matter which the  
 24 department ~~shall--have~~ has authority to investigate and  
 25 determine.

1       ~~(12)~~(13) To the department may cause the deposition of  
 2 witnesses residing within or without the state, or absent  
 3 therefrom, to be taken upon notice to the interested party,  
 4 if any, in like manner that depositions are taken in actions  
 5 pending in the district court, in any matter which the  
 6 department ~~shall~~ ~~have~~ has authority to investigate and  
 7 determine.

8       ~~(13)~~(14) To the department may examine into all cases  
 9 where evasion or violation of the laws for taxation of  
 10 property, proceeds, occupation, or business is alleged,  
 11 complained of, or discovered, and to ascertain wherein  
 12 existing laws are ineffective or are improperly or  
 13 negligently administered.

14       ~~(14)~~(15) To the department may investigate the tax  
 15 systems of other states and countries and to formulate and  
 16 recommend legislation for the better administration of the  
 17 fiscal laws so as to secure just and equal taxation and  
 18 improvement in the system of taxation and the economical  
 19 expenditure of public revenue in the state.

20       ~~(15)~~(16) To the department may consult and confer with  
 21 the governor of the state upon the subject of taxation, the  
 22 administration of the laws relating thereto, and the  
 23 progress of the work of the department, and to furnish the  
 24 governor such assistance as he may require.

25       ~~(16)~~(17) To the department shall transmit to the

1 governor and to each member of the legislature ~~twenty~~~~(20)~~  
 2 days before the meeting of the legislature, a report of the  
 3 department, showing all the taxable property of the state  
 4 and the its value of ~~the same~~ in tabulated form, with  
 5 recommendations for improvements in the system of taxation,  
 6 together with such measures as may be formulated for the  
 7 consideration of the legislature, ~~and to the department may~~  
 8 include therein a report showing the selling price of  
 9 gasoline at the wholesale level in prime market centers of  
 10 Montana and in surrounding states during the biennium, with  
 11 indexes tabulated at sufficient intervals to show the  
 12 comparative state price structures.

13       ~~(17)~~(18) In its discretion, to the department may waive  
 14 the assessment of penalty for the late filing of any tax  
 15 statement or return required to be filed with the department  
 16 when the filing is done within ~~five~~~~(5)~~ days of the date  
 17 specified for filing the return or statement, and for the  
 18 late payment of any tax collected by the department when the  
 19 payment is made within ~~five~~~~(5)~~ days of the date specified  
 20 for payment of the tax.

21       ~~(18)~~(19) In its discretion, the department may to enter  
 22 into reciprocal agreements with the taxing authorities of  
 23 states contiguous to the state of Montana which tax the  
 24 income of Montana residents earned in that state to provide  
 25 that the tax imposed by Title 84, chapter 49, ~~RS&C 84-1947~~

1 on income derived by persons who are nonresidents of this  
 2 state shall ~~need~~ not be ~~payable~~ paid when such other state  
 3 or states agree to grant similar treatment to residents of  
 4 Montana."

5 Section 53. Section 84-728, R.C.M. 1947, is amended to  
 6 read as follows:

7 "84-728. Valuation of interstate fleets --  
 8 determination of aggregate tax due. The state department of  
 9 revenue shall assess any interstate motor vehicle fleet  
 10 making application for proportional registration as follows:

11 ~~(e)(1)~~ The purchase price depreciated by a schedule as  
 12 prescribed by the department shall determine the depreciated  
 13 value.

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

17 ~~(e)(3)~~ The sum of the assessed value of all vehicles  
 18 included in the fleet multiplied by ~~twenty-(20)-per-cent~~ ~~12%~~  
 19 shall be the taxable value for the entire fleet.

20 ~~(e)(4)~~ To determine the amount of tax due, the taxable  
 21 value of the entire fleet shall be multiplied by the  
 22 ~~state-wide~~ ~~statewide~~ average county mill levy plus state  
 23 levies as hereinafter provided."

24 Section 54. Section 84-4605, R.C.M. 1947, is amended  
 25 to read as follows:

1 "84-4605. Taxation of banks and shares of stock in.  
 2 (1) Every state bank or banking corporation located and  
 3 doing business in this state and every private banker doing  
 4 business in this state shall be ~~taxable~~ ~~taxed~~ upon the  
 5 value of all real estate and personal property owned by ~~such~~  
 6 ~~the~~ bank, banking corporation, or private banker, ~~and also~~  
 7 upon the moneyed capital employed in ~~such~~ ~~the~~ business, ~~such~~  
 8 ~~and upon the~~ moneyed capital to be ascertained as provided  
 9 by ~~section-84-301;84-301;7~~ ~~84-301.6,~~ ~~and-the~~ ~~The~~ cashier or  
 10 secretary of every ~~such~~ bank or banking corporation, and  
 11 every ~~such~~ private banker, shall furnish to the department  
 12 of revenue or its agent in the county in which its or his  
 13 bank is located, within ~~five~~ ~~5~~ days after demand therefor, a  
 14 statement verified by his oath, showing all the resources  
 15 and liabilities of ~~such~~ ~~the~~ bank as disclosed by its books,  
 16 at the close of business on December 31 of the preceding  
 17 year, ~~if-such~~ ~~if-the~~ cashier, secretary, or private banker  
 18 ~~shall-fail~~ ~~fails~~ to make the statement, hereby-required, the  
 19 department or its agent shall forthwith obtain ~~such~~ ~~the~~  
 20 information from any other available source, and for this  
 21 purpose shall have access to the books of ~~such~~ ~~the~~ bank,  
 22 banking corporation, or private banker. The department or  
 23 its agent shall thereupon make an assessment of the real  
 24 estate and personal property owned by ~~such~~ ~~the~~ bank, banking  
 25 corporation, or private banker, and of the moneyed capital

1 employed in the business of such ~~the~~ bank, banking  
 2 corporation, or private banker, ~~which the~~ assessment shall  
 3 be as fair and equitable as can be made from the best  
 4 information available, ~~or for~~ For the purpose of ~~said the~~  
 5 assessment, the figures disclosed by any prior report made  
 6 by such ~~the~~ bank, banking corporation, or private banker to  
 7 any state or federal officer pursuant to any state or  
 8 federal law may be adopted. Any person required by this  
 9 section to make the statement hereinabove provided, who  
 10 ~~shall fail~~ fails to furnish the same, ~~it~~ shall be guilty of  
 11 a misdemeanor and ~~shall be~~ punished accordingly.

12 (2) All shares of stock in any such bank or banking  
 13 corporation shall be assessed at their full cash value,  
 14 except to the extent that that value is represented in  
 15 property which is assessable and taxable to such ~~the~~ bank or  
 16 banking corporation in this state, and shall be taxable to  
 17 the owners of such ~~the~~ shares in the county, school  
 18 district, city, town, or place where such ~~the~~ bank or  
 19 banking corporation is located ~~and not elsewhere~~, whether or  
 20 ~~not~~ the owners of such ~~the~~ shares are residents of such  
 21 county, school district, city, town, or place.

22 (3) The cashier or secretary of any such bank or  
 23 banking corporation shall furnish to the department or its  
 24 agent, upon demand, the name of each stockholder with his  
 25 residence and the number of shares belonging to him at the

1 close of business on December 31 of the preceding year, ~~and~~  
 2 ~~if such~~ ~~if the~~ cashier or secretary, for more than five ~~2~~  
 3 days after such ~~the~~ demand, ~~shall fail~~ fails to furnish such  
 4 information, he ~~shall be~~ is guilty, of a misdemeanor and the  
 5 department or its agent may obtain such information from any  
 6 other available source, ~~and for such purposes shall have~~  
 7 ~~access to or from~~ the books of such ~~the~~ bank or banking  
 8 corporation. For convenience, the assessment of such ~~the~~  
 9 shares shall be entered on the personal property assessment  
 10 list under the name of the bank or banking corporation  
 11 concerned, but in the assessment list the names of the  
 12 owners of such shares shall be set forth and the number of  
 13 shares owned by each, ~~and such the~~ assessment, when so  
 14 entered, ~~shall have~~ has all the force and effect as if made  
 15 in the names of the owners of such ~~the~~ shares individually.  
 16 The bank or banking corporation in which such ~~the~~ shares are  
 17 owned ~~shall be~~ is liable for the payment of taxes assessed  
 18 against such ~~the~~ shares, and such ~~the~~ taxes ~~shall be~~ are  
 19 payable by and may be collected from such ~~the~~ bank or  
 20 banking corporation in the same manner and under the same  
 21 penalties as other taxes, ~~provided that such the~~ bank or  
 22 banking corporation may recover from such ~~the~~ owners of  
 23 shares any taxes so paid on such ~~the~~ shares, and ~~shall have~~  
 24 has a lien therefor upon such ~~the~~ shares and upon any  
 25 dividends accrued or to accrue thereon."

1 Section 55. Section 84-4701, R.C.M. 1947, is amended  
 2 to read as follows:

3 "84-4701. Limitation on amount of tax for municipal  
 4 purposes -- distribution of funds -- levy for park parks,  
 5 swimming pools, playgrounds, youth centers, and other  
 6 purposes. The amount of taxes to be assessed and levied for  
 7 general municipal or administrative purposes in cities and  
 8 towns ~~must~~ may not exceed ~~two--and--four--tenths--(2.4%)--per~~  
 9 ~~centum--on-the-per-centum 2.4%~~ of the assessed taxable value  
 10 of the taxable property of the city or town subject to  
 11 taxation, ~~and the~~ the council or commission in each city or  
 12 town may distribute the money collected into ~~such the~~ funds  
 13 ~~as--are~~ prescribed by ordinance, ~~provided, that for~~ for the  
 14 purpose of procuring, equipping, and maintaining public  
 15 parks, swimming pools, skating rinks, playgrounds, civic  
 16 centers, youth centers, museums, and combinations thereof,  
 17 the council or commission in any city or town may assess and  
 18 levy, in addition to the said levy for general municipal or  
 19 administrative purposes, an amount not exceeding ~~seven--(7)~~  
 20 ~~mills on the dollar on the per--centum--of--the--assessee~~  
 21 taxable value of the taxable property to be taxed of the  
 22 city or town."

23 Section 56. Section 84-4701.2, R.C.M. 1947, is amended  
 24 to read as follows:

25 "84-4701.2. Maximum rate of all-purpose levy.

1 ~~Notwithstanding the provisions of the statutes of Montana to~~  
 2 ~~the contrary (1) except as provided elsewhere,~~ the cities  
 3 and towns of the state of Montana may make an all-purpose  
 4 annual levy upon the assessed taxable value of all the  
 5 taxable property in ~~such the~~ cities and towns, subject to  
 6 taxation for municipal purposes in lieu of the multiple  
 7 levies now authorized by statute. The total of ~~such the~~  
 8 all-purpose levy shall ~~may~~ not exceed ~~sixty-five-(65)~~ mills  
 9 on the dollar, ~~when this~~ levy shall may not include any  
 10 levies necessary for bonded indebtedness, judgments, or  
 11 special improvement district revolving funds of  
 12 municipalities, which levies may be made in addition to  
 13 all-purpose levy as provided in sections 84-4701.1 and  
 14 84-4701.6. The moneys received from ~~such the~~ all-purpose  
 15 levy shall be accounted for in a common fund known as the  
 16 all-purpose general fund.

17 (2) An amount not to exceed ~~five-per--centum--(5%)~~ of  
 18 the moneys received from and as a part of the all-purpose  
 19 levy aforesaid may be placed in a separate fund known as the  
 20 capital improvement program fund to be earmarked for the  
 21 replacement and acquisition of property, plant, or equipment  
 22 costing in excess of ~~five-thousand-dollars-(5,000)~~ with a  
 23 life expectancy of ~~five-(5)~~ years or more, provided that a  
 24 capital improvement program has been formally adopted by  
 25 city or town ordinance.

1        ~~(3)~~ The moneys held in the capital improvement program  
 2 fund shall, whenever possible, be invested in savings or  
 3 time deposits in a state or national bank insured by the  
 4 federal deposit insurance corporation or in direct  
 5 obligations of the United States government and credited  
 6 back to the fund plus interest earned."

7        Section 57. Section 84-4713, R.C.M. 1947, is amended  
 8 to read as follows:

9        "84-4713. Taxes in cities and towns ~~which that~~ have  
 10 exceeded the statutory limit of indebtedness. All taxes  
 11 ~~heretofore~~ levied and collected ~~or to be collected for~~  
 12 ~~municipal and administrative purposes by any city or town~~  
 13 ~~in which~~ the indebtedness ~~of which~~ equals or exceeds the  
 14 limit provided ~~allowed~~ in statute ~~may be used in payment of~~  
 15 current expenses during the fiscal year for which ~~said the~~  
 16 taxes were levied, ~~the same as though if~~ a special levy had  
 17 been made for each of ~~said the~~ purposes. ~~And the the~~ council  
 18 of any such city or town ~~is hereby authorized to may~~  
 19 designate the amount of ~~said the~~ general levy applicable to  
 20 each of ~~said the~~ purposes, ~~and the the~~ amount so designated  
 21 ~~shall constitute constitutes~~ a special fund for the special  
 22 purpose of paying the expenses incurred for such ~~the~~  
 23 purpose, ~~and such the~~ expenses shall be payable out of such  
 24 ~~the~~ fund and not otherwise, ~~provided that however,~~ the  
 25 aggregate of all taxes authorized for general municipal and

1 administrative purposes ~~shall may~~ not exceed ~~one and~~  
 2 ~~one-half per cent 2 1/2%~~ annually upon ~~of~~ the per centum ~~of~~  
 3 ~~the assessed taxable~~ value of all taxable property ~~subject~~  
 4 ~~to taxation~~ in such city or town."

5        Section 58. Section 84-5103, R.C.M. 1947, is amended  
 6 to read as follows:

7        "84-5103. Taxation of credits of insurance companies  
 8 -- other property. All property other than credits of  
 9 insurance companies required by law to have and maintain a  
 10 legal reserve for the protection of policyholders shall be  
 11 assessed, classified, and taxed as other property of like  
 12 character. Credits, including evidence of indebtedness  
 13 secured by mortgages, less legal reserves for the protection  
 14 of policyholders and other indebtedness, shall be classified  
 15 and taxed on the basis of ~~thirty per centum (30%) of full~~  
 16 ~~cash market~~ value as thus ascertained."

17        Section 59. Section 84-5211, R.C.M. 1947, is amended  
 18 to read as follows:

19        "84-5211. Limitation of levies -- livestock moneys.  
 20 The amount of such ~~the~~ levy shall ~~may~~ not in any event  
 21 exceed ~~two (2) 2~~ mills upon the assessed ~~valuation taxable~~  
 22 ~~value~~ of sheep and ~~three (3) 3~~ mills upon the assessed  
 23 ~~valuation taxable value~~ of other livestock, ~~when shall be~~  
 24 ~~levied the levy is raised~~ to aid in the payment of the  
 25 general expense ~~expenses~~ of the brands-enforcement functions



1 of the department of livestock, including salaries, office  
 2 expense, detective expense, expense of prosecution, travel,  
 3 and all incidental expense, expenses, and a separate levy  
 4 of not exceeding ~~to exceed~~ three-~~(3)~~ 2 mills on all  
 5 livestock ~~may be raised~~ for the use of the animal health  
 6 functions of the department of livestock ~~to be~~ and placed in  
 7 the ~~an~~ earmarked revenue fund for the payment of indemnity  
 8 for animals slaughtered, and for salaries and expenses  
 9 incurred in investigating, controlling, and suppressing  
 10 diseases, including expenses of quarantine and salaries and  
 11 expenses incurred for such purposes, and for laboratory  
 12 maintenanc~~e~~, ~~provided further that~~ At the written request  
 13 of the department of livestock the state treasurer and state  
 14 controller, ~~at the written request of the department of~~  
 15 ~~livestock~~ shall set aside in a separate account in the  
 16 earmarked revenue fund such any moneys as may be available  
 17 and requested, ~~which the moneys shall~~ may be expended only  
 18 when the department of livestock determines that a livestock  
 19 disease emergency exists requiring its expenditure, ~~and they~~  
 20 ~~shall then be expended~~ for such purposes as the department  
 21 of livestock may order and direct."

22 SECTION 60. THERE IS A NEW R.C.M. SECTION THAT READS  
 23 AS FOLLOWS:

24 Instructions to code commissioner and publisher. In  
 25 preparing a composite section of section 84-5211, as amended

1 by this act and by Chapter 120, Laws of 1977, the code  
 2 commissioner and the publisher of the Revised Codes of  
 3 Montana, 1947, shall indicate the authority granted by  
 4 Chapter 120 as authority to levy an additional 3 mills on  
 5 the taxable value of all livestock.

6 Section 61. Section 84-5214, R.C.M. 1947, is amended  
 7 to read as follows:

8 "84-5214. Levy for bounty moneys -- use of proceeds.  
 9 The department of revenue shall annually prescribe, ~~make~~  
 10 ~~and~~ levy an ad valorem tax on all livestock in the state of  
 11 Montana for the purpose of protecting ~~such livestock them~~  
 12 ~~against destruction, depredation, and injury by wild~~  
 13 ~~animals, whether the livestock is on lands in private~~  
 14 ~~ownership, in the ownership of the state, or in the~~  
 15 ~~ownership of the United States, including open ranges and~~  
 16 ~~all lands in or of the public domain. This protection may be~~  
 17 by ~~all any~~ means of effective predatory animal destruction,  
 18 extermination, and control, including systematic hunting  
 19 ~~and trapping in planned campaigns or otherwise,~~ and payment  
 20 of bounties ~~against destruction, depredation and injury by~~  
 21 ~~wild animals, whether on lands in private ownership, in the~~  
 22 ~~ownership of the state or in the ownership of the United~~  
 23 ~~States, including open ranges and all lands in or of the~~  
 24 ~~public domain.~~ The tax levy shall ~~may~~ not exceed in any one  
 25 ~~(1) year (2) one and one-half (1-1/2) 4 1/2~~ mills on the

1 ~~assessed-valuation~~ taxable value of all sheep and ~~(b) one~~  
 2 ~~(f) with 3 MILLS~~ on the ~~assessed-valuation~~ taxable value of  
 3 other livestock. The moneys received from ~~such the~~ tax  
 4 levies shall be transmitted monthly with other taxes for  
 5 state purposes by the county treasurer of each county to  
 6 the state treasury, ~~and be by the the~~ state treasurer  
 7 ~~placed in and to the credit of the~~ shall place the money in  
 8 ~~an~~ earmarked revenue fund ~~(with the other moneys in that~~  
 9 ~~fund under the provisions of section~~ as provided in  
 10 ~~46-1901), and such the~~ moneys shall thereafter be paid out  
 11 only on claims duly and regularly presented to the  
 12 department of livestock, and thereafter approved by ~~said the~~  
 13 department in accordance with the law applicable either to  
 14 claims for bounties, ~~when such claims are approved~~, or to  
 15 claims for other expenditures necessary and proper for  
 16 predatory animal control by other means and methods other  
 17 than payment of bounties, as ~~may be~~ determined by the  
 18 department of livestock. All ~~such the~~ moneys shall be  
 19 available for the payment of bounty claims and for  
 20 expenditures ~~in and~~ for planned, seasonal, or other  
 21 campaigns directed or operated by the department in  
 22 cooperation with other agencies for the systematic  
 23 destruction, extermination, and control of predatory wild  
 24 animals, as ~~may be~~ determined by the department and ~~the its~~  
 25 advisory committee thereto. No claims ~~shall~~ may be approved

1 in excess of moneys available for such purposes, and no  
 2 warrants ~~shall~~ may be registered against ~~such the~~ moneys."

3 Section 62. Section 84-5216, R.C.M. 1947, is amended  
 4 to read as follows:

5 "84-5216. Tax levy for bounties on predatory animals.  
 6 Whenever the owners, or agents, or agents of ~~such the~~ owners  
 7 representing ~~fifty-one-per-cent~~ 51% of the livestock of any  
 8 county in this state ~~shall~~ present a petition to the board  
 9 of county commissioners of such county asking for the levy  
 10 of a tax upon the livestock of ~~such the~~ county for the  
 11 purpose of paying bounties on predatory animals killed in  
 12 ~~such the~~ county, it ~~shall be~~ is the duty of ~~such the~~ board  
 13 of county commissioners to make ~~such the~~ levy, which ~~shall~~  
 14 may not exceed ten ~~10~~ 30 mills on the dollar on of the  
 15 ~~assessed-valuation~~ taxable value of all livestock in ~~such~~  
 16 ~~the~~ county, which ~~the~~ tax shall be assessed and collected  
 17 in the same manner as all other state and county taxes."

18 Section 63. Section 84-5406, R.C.M. 1947, is amended  
 19 to read as follows:

20 "84-5406. Assessment of royalties. Upon receipt of the  
 21 list or schedule setting forth the names and addresses of  
 22 any and all persons, corporations, and associations owning  
 23 or claiming royalty and the amount ~~or amounts~~ paid or  
 24 yielded as royalty to ~~such the~~ royalty owners or claimants  
 25 during the year for which ~~such the~~ return is made, the state

1 department of revenue shall proceed to ~~the assessment of all~~  
 2 ~~such assess and tax the~~ royalties and ~~shall assess the same~~  
 3 ~~at the full cash value of the money or product yielded~~  
 4 ~~during such preceding calendar year, and the same shall be~~  
 5 ~~taxed on the same basis as net proceeds of mines are taxed~~  
 6 ~~as provided by section 84-301 84-301.2 84-301.3."~~

7 Section 64. Section 84-6008, R.C.M. 1947, is amended  
 8 to read as follows:

9 "84-6008. Assessment of personal property brought into  
 10 the state -- exceptions. (1) Property in the following cases  
 11 is subject to taxation and assessment for all taxes levied  
 12 that year in the county in which it is located:

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

17 (b) ~~or -- if the~~ property whose owner and/or the user of  
 18 the property is engaged in gainful occupation or business  
 19 enterprise in the state; or

20 (c) the property otherwise which comes to rest and  
 21 becomes a part of the general property of the state, ~~shall~~  
 22 ~~be subject to taxation and shall be assessed for all taxes~~  
 23 ~~levied or leviable for that year in the county in which the~~  
 24 ~~same shall thus be~~

25 (2) The taxes on this property are levied in the same

1 manner and to the same extent, except as hereinafter  
 2 otherwise provided, as though ~~such the~~ property had been in  
 3 the county on the regular assessment date, provided that  
 4 ~~such the~~ property has not been regularly assessed for the  
 5 year in some other county of the state,

6 ~~(1) provided further that nothing herein contained~~  
 7 ~~Nothing in this section~~ shall be construed into authority to  
 8 ~~assess or~~ levy any a tax against any a merchant or dealer  
 9 within this state on goods, wares, or merchandise brought  
 10 into the county to replenish the stock of ~~such the~~ merchant  
 11 or dealer, in addition to the tax levied against the  
 12 inventory of said merchant or dealer on the regular  
 13 assessment date,

14 ~~(4) provided further that this act~~ this section shall  
 15 not apply to motor vehicles brought, driven, or coming into  
 16 this state by any nonresident, migratory, bona fide  
 17 agricultural workers temporarily employed in agricultural  
 18 work in Montana ~~where said~~ if the motor vehicles are used  
 19 exclusively for transportation of agricultural workers.

20 (5) Agricultural harvesting machinery classified under  
 21 ~~Class 2 class two~~ CLASSES EIGHT AND TWELVE, section 84-301  
 22 ~~R.C.M. 1947~~, licensed in other states, and operated on the  
 23 lands of persons other than the owner of the machinery,  
 24 under contracts for hire shall be subject to a fee, in lieu  
 25 of taxation, of ~~thirty-five dollars (\$35)~~ per machine for a

1 sixty(60)-day period. Such ~~the~~ machines shall be subject to  
 2 taxation under ~~class 2 class two~~ CLASSES EIGHT AND TWELVE  
 3 only if they are sold in Montana."

4 Section 65. Section 84-6102, R.C.M. 1947, is amended  
 5 to read as follows:

6 "84-6102. United States property held under contract  
 7 of sale ~~assessment at full value~~. When such ~~the~~ property  
 8 is held under a contract of sale or other agreement whereby  
 9 ~~on certain upon~~ payment or payments the legal title is or  
 10 may be acquired by such ~~the~~ person, corporation, or  
 11 association; such ~~the~~ real property shall be assessed and  
 12 taxed as for the full value thereof ~~defined in 84-301.5~~  
 13 ~~84-301.6, 84-301.8, 84-301.9, 84-301.11, 84-301.15, or~~  
 14 ~~84-301.2 THROUGH 84-301.19 AND 84-401~~ without deduction on  
 15 account of the whole or any part of the purchase price or  
 16 other sum due on such ~~the~~ property remaining unpaid, ~~and~~  
 17 ~~provided that the~~ lien for such ~~the~~ tax shall neither  
 18 ~~may not~~ attach to, impair, nor ~~or~~ be enforced against any  
 19 interest of the United States in such ~~the~~ real property."

20 Section 66. Section 84-6103, R.C.M. 1947, is amended  
 21 to read as follows:

22 "84-6103. United States property held under lease --  
 23 assessment at value of leasehold. When such ~~the~~ property is  
 24 held under lease, or other interest, or estate therein less  
 25 than the fee, except under contract of sale, such ~~the~~

1 property shall be assessed and taxed as for the ~~true-cash~~  
 2 value ~~as defined in 84-301.2 through 84-301.19 and 84-401~~  
 3 ~~84-301.19~~ of such leasehold, interest, or estate in such ~~the~~  
 4 property and the lien for such ~~the~~ tax shall attach to and  
 5 be enforced against only the leasehold, interest, or estate  
 6 in such ~~the~~ property, ~~provided that where when~~ the United  
 7 States authorizes the taxation of such ~~the~~ property for the  
 8 full ~~assessed~~ value of the fee thereof, such ~~the~~ property  
 9 shall be assessed for such full ~~assessed~~ value, ~~as defined~~  
 10 ~~in 84-401.~~"

11 Section 67. Section 84-6205, R.C.M. 1947, is amended  
 12 to read as follows:

13 "84-6205. Assessment of royalties. The amount of  
 14 royalty received shall be considered net proceeds to the  
 15 recipient and shall be assessed as follows: ~~upon upon~~  
 16 receipt of the lists or schedules setting forth the names  
 17 and addresses of any and all persons owning or claiming  
 18 royalty and the amount ~~or amounts~~ paid or yielded as  
 19 royalty to such royalty owners or claimants during the year  
 20 for which such return is made, the ~~state~~ department of  
 21 revenue shall proceed to ~~the assessment of all such~~  
 22 ~~royalties and shall~~ assess ~~and tax~~ the same ~~at the full~~  
 23 ~~cash value of the money or product yielded or accrued during~~  
 24 ~~such preceding calendar years and the same shall be taxed~~ as  
 25 net proceeds of mines."

1 Section 68. Section 84-6407, R.C.M. 1947, is amended  
2 to read as follows:

3 "84-6407. Transmission of statement of amount  
4 apportioned to counties. On or before the second Monday in  
5 July, the department shall apportion such ~~the~~ assessment to  
6 the counties in or through which the airline operates. The  
7 county assessor must enter the amount of the assessment  
8 apportioned to the county in the column of the assessment  
9 roll or book which shows the total value of all property for  
10 taxation in the county. The assessment shall be assigned to  
11 class ~~7 seven~~ having a taxable value of forty per cent ~~(40%)~~  
12 of assessed value."

13 Section 69. Section 84-7403, R.C.M. 1947, is amended  
14 to read as follows:

15 "84-7403. Tax treatment of certain energy-related  
16 investments. (1) Upon application by a taxpayer, approved  
17 under section 84-7404, a capital investment by the taxpayer  
18 in a recognized nonfossil form of energy generation shall be  
19 treated by the department of revenue as:

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

23 (b) class ~~seven~~ EIGHTEEN property, as defined in  
24 ~~sections--84-301--and--84-302; 84-301.0 84-301.12 for such~~  
25 portion of the appraised assessed value of the investment

1 that exceeds ~~one-hundred-thousand-dollars-(\$100,000).~~

2 (2) Upon application by a taxpayer, approved under  
3 ~~section 84-7404,~~ a capital investment in a building by the  
4 taxpayer for an energy conservation purpose shall be treated  
5 by the department of revenue as class ~~eight~~ FIFTEEN  
6 property, as defined in ~~sections--84-301--and--84-302; 84-301.0~~  
7 84-301.16, to the extent the ~~appraised assessed~~ value of the  
8 investment does not exceed ~~twenty-percent--(20%)~~ of the  
9 ~~appraised assessed~~ value of the building in which the  
10 investment is made."

11 Section 70. Section 84-7513, R.C.M. 1947, is amended  
12 to read as follows:

13 "84-7513. Valuation of commercial land. After  
14 classification as commercial, land, whether occupied or not,  
15 ~~shall may~~ not change in value for tax purposes unless it  
16 meets or is governed by the following provisions:

17 (1) Class A -- open undeveloped land. Open  
18 undeveloped land within the boundaries ~~set-as~~ of designated  
19 commercial land which has value and is not designated for  
20 usage as a parking area or park, and developed as such  
21 within ~~two-(2)~~ years from the effective date of this act,  
22 shall be subject to taxation in the following method (after  
23 the ~~two-(2)-~~ year grace period):  
24 1st year taxation -- 1% over valuation existing at the  
25 beginning of the ~~said-two-(2)~~ years;

1 2nd year taxation -- +2% over the previous year's valuation;  
 2 3rd year taxation -- +10% over the previous year's valuation;  
 3 3-5 years taxation -- +20% over the previous year's valuation;  
 4 over five 5 years -- +30% over the previous year's valuation.

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

16 (3) Class C -- existing improved land. Existing  
 17 structures and buildings shall be frozen in their existing  
 18 tax base for a period of ~~ten--(10)~~ years, unless remodeled,  
 19 where section 12(1)(a) shall apply. If not remodeled after  
 20 ~~ten--(10)~~ years, the following shall apply:

Age of structure in years	Tax increase according to the years since remodeled last				
	1-5 years	5-10 years	10-15 years	15 years and over	
10-12	1%	2%	4%	5%	

1	12-15	2%	4%	6%	8%
2	15-20	4%	8%	12%	16%
3	21-25	10%	12%	16%	18%
4	26-30	15%	18%	20%	24%
5	31-40	25%	28%	30%	35%
6	40-50	40%	45%	50%	60%
7	50-Over	50%	60%	75%	100%

8 (4) Class D -- new improved land.  
 9 (a) The construction cost and land cost of any  
 10 commercial development within a classified commercial or  
 11 residential area shall ~~may~~ not be taxed for its construction  
 12 period.

13 (b) Following the nontaxable period the total cost of  
 14 land and improvements developed as new commercial property  
 15 shall be taxed as follows:

Commercial land location	Taxable schedule
(i) Land within and extending <del>nine-hundred</del> {900} feet beyond that area designated by the governing authority as the central business district of a community.	Improvements shall be taxed in additional increments as follows: A- <del>ten-percent--(10%)</del> increase in <del>valuation assessed</del> value per year until a total value for tax purposes is <del>one-hundred-percent--(100%)</del> of <del>assessed</del> value.

1 (ii) Land from that Improvements shall be  
 2 designation under taxed in additional  
 3 subsection (4) (b) (i) increments as follows: A  
 4 to the corporate thirty-three-and  
 5 boundary or city limits. one-third-percent  
 6 ~~increase in~~ ~~assessed value~~ per year until  
 7 a total value for tax  
 8 purposes is one-hundred  
 9 percent ~~(100%)~~ of ~~assessed~~ value.  
 10 (iii) Land lying from An increase in taxes  
 11 the corporate boundary to over the normally  
 12 the four-and-one-half assessed value of ten  
 13 ~~(4-1/2)~~ ~~4 1/2~~-mile limit. percent ~~(10%)~~ per year  
 14 for a period of ten ~~10~~ years  
 15 unless given a waiver by  
 16 the governing authority.  
 17 (iv) Land lying beyond An increase in taxes  
 18 the four-and-one-half over the normally  
 19 ~~(4-1/2)~~ ~~4 1/2~~-mile limit. assessed value of  
 20 twenty-five-percent ~~(25%)~~  
 21 per year for fifteen ~~(15)~~  
 22 years unless given a  
 23 waiver by the governing  
 24 authority."  
 25

1 Section 71. Section 89-3403, R.C.M. 1947, is amended  
 2 to read as follows:  
 3 "89-3403. Definitions. As used in this act, unless the  
 4 context clearly indicates otherwise:  
 5 (1) "District ~~district~~" means a conservancy district,  
 6 which is a public corporation and a political subdivision of  
 7 the state;  
 8 (2) "Directors ~~directors~~" means the board of directors  
 9 of a conservancy district;  
 10 (3) "Elector ~~elector~~" means a person qualified to vote  
 11 under section 89-3423;  
 12 (4) "Court ~~court~~" means the district court of the  
 13 judicial district in which the largest portion of the  
 14 taxable valuation of real property of the proposed district  
 15 is located and within the county in which the largest  
 16 portion of the taxable valuation of real property of the  
 17 proposed district is located within the judicial district;  
 18 (5) "Person ~~person~~" means a natural person; firm;  
 19 partnership; co-operative ~~cooperative~~; association; public  
 20 or private corporation, including the state of Montana or  
 21 the United States; foundation; state agency or institution;  
 22 county; municipality; district or other political  
 23 subdivision of the state; federal agency or bureau; or any  
 24 other legal entity;  
 25 (6) "Department ~~department~~" means the department of

1 natural resources and conservation provided for in Title  
2 82A, chapter 15*i*

3 (7) "~~Board~~ board of supervisors" means the board of  
4 supervisors of the soil and water conservation district in  
5 which the largest portion of the taxable valuation of real  
6 property of the proposed district is located*i*

7 (8) "~~Works~~ works" means all property, rights,  
8 easements, franchises, and other facilities including, but  
9 not limited to, land, reservoirs, dams, canals, dikes,  
10 ditches, pumping units, mains, pipelines, waterworks  
11 systems, recreational facilities, facilities for fish and  
12 wildlife, and facilities to control and correct pollution*i*

13 (9) "~~Cost~~ cost of works" means the cost of  
14 construction, acquisition, improvement, extension, and  
15 development of works, including financing charges, interest,  
16 and professional services*i*

17 (10) "~~Applicants~~ applicants" means any person residing  
18 within the boundaries of the proposed district making a  
19 request for a study of the feasibility of forming a  
20 conservancy district*i*

21 (11) "~~Notice~~ notice" means publication at least once  
22 each week for ~~three~~ three consecutive weeks in a newspaper  
23 published in each county, or, if no newspaper is published  
24 in a county, a newspaper of general circulation in the  
25 county, or counties, in which a district is or will be

1 located. The last published notice shall appear not less  
2 than ~~five~~ five days prior to any hearing or election held  
3 under this act*i*

4 (12) "~~Owners~~ owners" are the person or persons who  
5 appear as owners of record of the legal title to real  
6 property according to the county records whether such title  
7 is held beneficially or in a fiduciary capacity, except that  
8 a person holding a title for purposes of security is not an  
9 owner nor shall may he affect the previous title for  
10 purposes of this act*i*

11 (13) "~~Taxable~~ taxable valuation" shall ~~mean~~ is the  
12 ~~valuation-determined-according-to-section-84-302-Rv-Cv-Nv~~  
13 ~~1947~~ value as defined in 84-401 and does not mean assessed  
14 valuation."\*

15 SECTION 72. THERE IS A NEW R.C.M. SECTION NUMBERED  
16 84-309 THAT READS AS FOLLOWS:

17 84-309. Reappraised real property -- limitation on  
18 increased appraisals -- table of taxable percentages. (1)  
19 The director of revenue shall certify to the governor,  
20 before June 30, 1978, the percentage by which the market  
21 value of all property in the state classified under sections  
22 84-301.12, 84-301.16(1)(b), and 84-301.19(1)(a) as of  
23 January 1, 1977 has increased due to the revaluation  
24 conducted under 84-429.14. This figure is the "certified  
25 statewide percentage increase".



1 (2) The taxable value of property in these three  
 2 classes is determined as a function of the certified  
 3 statewide percentage increase in accordance with the  
 4 following table:

5 Certified statewide	84-301.12	84-301.16	84-301.19
6 percentage increase		(1) (b)	(1) (a)
7 0			
8 1%	\$11.89	one-half	7/30
9 2%	11.79	of the	of the
10 3%	11.69	equiva-	equiva-
11 4%	11.58	lent	lent
12 5%	11.49	millage	millage
13 6%	11.39	under	under
14 7%	11.29	84-301.12	84-301.12
15 8%	11.20		
16 9%	11.11		
17 10%	11.02		
18 11%	10.93		
19 12%	10.84		
20 13%	10.76		
21 14%	10.67		
22 15%	10.59		
23 16%	10.51		
24 17%	10.43		
25 18%	10.35		

1 19%	10.28
2 20%	10.20
3 21%	10.13
4 22%	10.05
5 23%	9.98
6 24%	9.91
7 25%	9.84
8 26%	9.77
9 27%	9.70
10 28%	9.64
11 29%	9.57
12 30%	9.51
13 31%	9.44
14 32%	9.38
15 33%	9.32
16 34%	9.26
17 35%	9.20
18 36%	9.14
19 37%	9.08
20 38%	9.03
21 39%	8.97
22 40%	8.91
23 41%	8.86
24 42%	8.81
25 43%	8.75

1	44%	8.70
2	45%	8.65
3	46%	8.60
4	47%	8.55
5	48%	8.50
6	49%	8.45
7	50%	8.40

8 SECTION 73. THERE IS A NEW R.C.M. SECTION THAT READS  
 9 AS FOLLOWS:

10 Temporary authority to exceed mill levy limitations in  
 11 certain cases. Taxing jurisdictions may adopt and levy for  
 12 a budget equal to 105% of the preceding year's budget,  
 13 statutory mill levy limitations notwithstanding, unless the  
 14 taxable valuation therein has increased to a level high  
 15 would allow statutory mill levies to produce a budget equal  
 16 to 105% of the preceding year's budget.

17 Section 74. Repealer. Sections 69-3923, 84-301,  
 18 84-302, 84-304, 84-305, 84-307, and 84-308, R.C.M. 1947, are  
 19 repealed. HOWEVER, AMENDMENTS TO 84-301, 84-302, OR 84-307,  
 20 R.C.M. 1947, ENACTED BY THIS LEGISLATIVE SESSION SHALL BE  
 21 INCORPORATED INTO THE EQUIVALENT SECTIONS ENACTED IN THIS  
 22 ACT AS DIRECTED BY SUCH OTHER AMENDATORY ACTS.

-End-

# STANDING COMMITTEE REPORT

.....FEBRUARY 31..... 19 79.....

MR. ~~SPEAKER~~.....

We, your committee on.....TAXATION.....

having had under consideration .....HOUSE..... Bill No. 70.....

A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE PROPERTY TAX SYSTEM BY  
GENERALLY REVISING AND RECODIFYING SECTIONS RELATING TO PROPERTY CLASSIFICATION  
AND TAXATION AND BY ESTABLISHING MARKET VALUE AS THE BASIS OF TAXATION, EXCEPT  
FOR CERTAIN CASES, AND ADJUSTING THE TAXABLE PERCENTAGE ACCORDINGLY; AMENDING  
SECTIONS.....  
AND REPEALING SECTIONS...

Respectfully report as follows: That.....HOUSE..... Bill No. 70.....

introduced bill, be amended as follows:

1. Amend title, line 13.  
Following: "69-3504,"  
Strike: "69-3923,"

2. Amend page 2, section 1, line 1.  
Following: "through"  
Strike: "84-301.15"  
Insert: "84-301.19"

3. Amend page 2, sections 3 through 15, lines 17 through line 12 on page 15.  
Following: "percentage."  
Strike: lines 17 through line 12 on page 15 in their entirety.  
Insert: "(1) Class two property includes the annual net proceeds of all mines  
and mining claims, except coal mines.

(2) Class two property is taxed at 100% of its annual net proceeds after  
deducting the expenses specified and allowed by 84-5403. ~~WHEREAS~~

~~WHEREAS~~

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

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COMMITTEE ON TAXATION AMENDMENTS TO HOUSE BILL 70

84-301.4. Class three property -- description -- percentage. (1) Class three property includes the annual gross proceeds of coal mines using the strip mining method.

(2) Class three property is taxed at 45% of its assessed value, which is 100% of annual gross proceeds.

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

84-301.5. Class four property -- description -- taxable percentage. (1) Class four property includes the annual gross proceeds of underground coal mines.

(2) Class four property is taxed at 33 1/3% of its assessed value, which is 100% of annual gross proceeds.

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

84-301.6. Class five property -- description -- taxable percentage. (1) Class five property includes moneyed capital and shares of banks.

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

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

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

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

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

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84-301.7. Class six property -- description -- taxable percentage. (1)  
Class six property includes agricultural land, as defined in 84-437.2.

(2) Class six property is taxed at 30% of its assessed value.

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

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

(a) centrally assessed utility allocations after deductions of locally assessed properties, except as provided in:

(i) class fourteen for rural telephones; and

(ii) class eighteen for cooperatives;

(b) all other property not included in classes one through six and classes eight through eighteen;

(c) large trucks and commercial trailers valued in the department of revenue truck and commercial trailer schedule.

(2) Class seven property is taxed at 15% of its market value.

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

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

(a) all agricultural and other tools, implements, and machinery except:

(i) large farm machinery included in class twelve; and

(ii) tools and implements included in class fourteen;

(b) gas and other engines and boilers and threshing machines and outfits used therewith;

(c) harness, saddlery, and robes;

(2) Class eight property is taxed at 13% of its market value.

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

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84-301.10. Class nine property -- description -- taxable percentage. (1)  
Class nine property includes:

(a) automobiles, motor trucks, and other power-driven cars and vehicles of all kinds, except mobile homes, motorcycles, aircraft, camper trailers, and truck campers;

(b) livestock, poultry, and unprocessed products of both; and

(c) furniture and fixtures used in commercial, office, and hotel activities, except improvements included in class thirteen.

(2) Class nine property is taxed at 13.3% of its market value.

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

84-301.11. Class ten property -- description -- taxable percentage. (1)  
Class ten property includes:

(a) aerial, surface, and portable ski lifts and ski tows, including the towers, cables, ropes, sheave assemblies, conveying devices, power units, and all accessories;

(b) manufacturing and mining machinery, fixtures, and supplies, except those included in class eighteen; and

(c) camper trailers and truck campers valued in the "Official Boat Trailer Trade-in Guide Blue Book".

(2) Class ten property is taxed at 12% of market value.

Section 12. There is a new R.C.M. section numbered 84-301.12 that reads as follows:

84-301.12. Class eleven property -- description -- taxable property. (1)  
Class eleven property includes:

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

(b) all improvements, except those included in classes fifteen and eighteen;

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

(d) all mobile homes, except:

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

(ii) those included in class fifteen.

(2) Class eleven property is taxed at 12% of its market value.

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

84-301.13. Class twelve property -- description -- taxable percentage. (1) class twelve property includes:

(a) boats and all watercraft;

(b) aircraft;

(c) motorcycles; and

(d) large farm machinery valued in the official guide/farm implements and department valuation schedules. tractors and

(2) Class twelve property is taxed at 11% of its market value.

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

84-301.14. Class thirteen property -- description -- taxable percentage. (1) Class thirteen property includes the incremental increase in the value of real estate produced by repairing, maintaining, or improving existing improvements.

(2) Class thirteen property is taxed at:

(a) 2.4% of the market value for the first full year following completion of the repair, maintenance, or improving of existing improvements;

(b) 4.8% of the market value for the second full year following completion of the repair, maintenance, or improving of existing improvements;

(c) 7.2% of the market value for the third full year following completion of the repair, maintenance, or improving of existing improvements;

(d) 9.6% of the market value for the fourth full year following completion of the repair, maintenance, or improving of existing improvements; and

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

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Section 15. There is a new R.C.M. section numbered 84-301.15 that reads as follows:

84-301.15. Class fourteen property -- description -- taxable percentage.

(1) Class fourteen property includes:

(a) all poles, lines, transformers, transformer stations, meters, tools, improvements, machinery and other property, except that included in class eighteen, used and owned by persons, firms, corporations, or other organizations that are engaged in the business of furnishing telephone communications exclusively to rural areas or to rural areas and cities and towns of 800 persons or less. The average circuit miles for each station on the telephone communications system must be more than 1 1/4 miles to qualify for this classification;

(b) tools, implements, and machinery used to repair and maintain machinery not used for manufacturing and mining purposes; and

(c) electric transformers and meters and gas regulators and meters that are not part of the single and continuous property of a utility that is centrally assessed.

(2) Class fourteen is taxed at 8% of its market value.

Section 16. There is a new R.C.M. section numbered 84-301.16 that reads as follows:

84-301.16. Class fifteen property -- description -- taxable percentage.

(1) Class fifteen property includes:

(a) a capital investment in a building for an energy conservation purpose, to the extent provided under 84-7403; and

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

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

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

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

(B) a widow or widower of any age with dependent children who qualifies under the income limitations of (C) of this section; or



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

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

- (i) his income, if applicable;
- (ii) his retirement benefits, if applicable;
- (iii) his marital status, if applicable; and

(iv) the fact that he maintains the land and improvements as his primary residential dwelling.

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

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

(3) Class fifteen property is taxed at 6% of its market value.

Section 17. There is a new R.C.M. section numbered 84-301.17 that reads as follows:

84-301.17. Class sixteen property -- description -- taxable percentage.

(1) Class sixteen property includes:

(a) business inventories as defined in this section; and

(b) mobile machines, valued as other heavy construction equipment is valued, used in new industries, as defined in class eighteen.

(2) Mobile machines used in new industry are subject to the conditions imposed in class eighteen for other property used in new industries.

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

(4) The market value of business inventories, for property tax purposes, is the cost to the person subject to the inventory tax.

(5) Class sixteen property is taxed at 4.2% of market value.

Section 18. There is a new R.C.M. section numbered 84-301.18 that reads as follows:

84-301.18. Class seventeen property -- description -- taxable percentage.

(1) Class seventeen property includes all unprocessed agricultural products on the farm or in storage, except:

(a) all perishable fruits and vegetables in farm storage and owned by the producer; and

(b) livestock and poultry and the unprocessed products of both.

(2) Class seventeen property is taxed at 3.5% of market value.

Section 19. There is a new R.C.M. section numbered 84-301.19 that reads as follows:

84-301.19. Class eighteen property -- description -- taxable percentage.

(1) Class eighteen property includes:

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

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

(ii) is rated 100% disabled due to a service-connected disability by the United States veterans administration or its successor. In the event of the veteran's death, the dwelling house and the lot on which it is erected shall remain in this class as long as the surviving spouse remains unmarried and the owner and occupant of the property.

(b) all property used and owned by cooperative rural electrical and cooperative rural telephone associations as provided in (2) (a) of this section.

(c) air pollution control equipment as defined in this section;

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(d) new industrial property as defined in this section; and

(e) a capital investment in a ~~recognized~~ ~~nonprofit~~ form of energy generation, to the extent provided under 84-7403.

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

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

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

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

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

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

(C) engage in the mechanical or chemical transformation of materials or substances into new products in the manner defined as manufacturing in the 1972 Standard Industrial Classification Manual prepared by the United States office of management and budget.

(ii) New industrial property does not include:

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

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

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

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

(3) The department of revenue shall promulgate rules for the determination of what constitutes an adverse impact, taking into consideration the number of people to be employed and the size of the community in which the location is contemplated. Any person, corporation, firm, partnership, association, or other group seeking to qualify its property for inclusion in this class shall make application to the department of revenue in such a manner and form as the department requires. Once the department has made an initial determination that the industrial facility qualifies as new industrial property, the department shall then, upon proper notice, hold a hearing to determine if the new industrial classification should be retained by the property. The local taxing authority may appear at the hearing and may waive its objection to retention of this classification if the industry agrees to the prepayment of taxes sufficient to satisfy tax requirements created by the location and construction of the facility during the construction period. When a prepayment of taxes is required, the maximum amount of prepayment shall be the amount of tax the industry would have paid without the application of the class seven percentage to such property.

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

(5) Class eighteen property shall be taxed at 2.8% of its market value."

Remember: all subsequent sections.

4. Amend page 15, section 16, line 20.

Following: "section"

Insert: "and in 84-429.14 through 84-429.17"

5. Amend page 16, section 16, line 3.

Following: "property in"

Strike: "classes one through ten, with the exception of class six"

Insert: "class one and classes seven through eighteen"

6. Amend page 16, section 16, line 6.

Following: "property in"

Strike: "classes one through ten, with the exception of class six,"

Insert: "class one and classes seven through eighteen"

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7. Amend page 16, section 16, line 9.

Following: "84-301.2"

Strike: "through 84-301.11, excluding 84-301.7"

Insert: "and 84-301.8 through 84-301.19"

8. Amend page 16, section 16, lines 10 and 11.

Following: "in"

Strike: "84-301.7 and 84-301.12 through 84-301.15"

Insert: "84-301.3 through 84-301.7"

9. Amend page 16, section 16, line 12.

Following: "in"

Strike: "84-301.7"

Insert: "84-301.6"

Following: "class"

Strike: "six"

Insert: "five"

10. Amend page 16, section 16, line 14.

Following: line 13

Strike: "84-301.7"

Insert: "84-301.6"

11. Amend page 16, section 16, line 15.

Following: "84-301"

Strike: "84-301.12"

Insert: "84-301.3"

12. Amend page 16, section 16, line 16.

Following: "class"

Strike: "eleven"

Insert: "two"

13. Amend page 16, section 16, line 20.

Following: "in"

Strike: "84-301.13 and 84-301.14"

Insert: "84-301.4 and 84-301.5"

14. Amend page 16, section 16, line 21.

Following: "classes"

Strike: "twelve"

Insert: "three"

Following: "and"

Strike: "thirteen"

Insert: "four"

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15. Amend page 16, section 16, line 24.

Following: "in"

Strike: "84-301.15"

Insert: "84-301.7"

Following: "class"

Strike: "fourteen"

Insert: "six"

16. Amend page 17, section 16, subsection (7), line 15.

Following: "classes"

Strike: "eleven"

Insert: "two"

17. Amend page 17, section 16, subsection (7), line 16.

Following: "through"

Strike: "fourteen"

Insert: "six"

18. Amend page 17, section 16, subsection (7), line 17.

Following: "in"

Strike: "84-301.14"

Insert: "84-301.3"

Following: "through"

Strike: "84-301.15"

Insert: "84-301.7"

19. Amend page 48, section 37, line 4.

Following: "half-"

Strike: "1 1/2"

Insert: "4.5"

20. Amend page 50, section 38, subsection (2), line 2.

Following: "value"

Insert: "and taxable value"

21. Amend page 58, section 39, subsection (6), line 15.

Following: "value"

Insert: "and taxable value"

22. Amend page 56, section 40, subsection (2), line 22.

Following: "value"

Insert: "and taxable value"

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23. Amend page 63, section 41, subsection (3), line 7.

Following: "class"

Strike: "seven"

Insert: "eighteen"

24. Amend page 63, section 41, subsection (3), line 8.

Following: "~~1947~~"

Strike: "84-301.8"

Insert: "84-301.19"

25. Amend page 63, section 41, subsection (3), line 11.

Following: "class"

Strike: "seven"

Insert: "eighteen"

26. Amend page 64, section 41, subsection (4), line 6.

Following: "class"

Strike: "seven"

Insert: "eighteen"

27. Amend page 65, section 42, subsection (2), line 20.

Following: "§"

Strike: "1"

Insert: "10"

28. Amend page 68, section 43, subsection (8), lines 4 and 5.

Following: "through"

Strike: "84-301.15 and 84-308"

Insert: "84-301.19"

29. Amend page 70, section 45, subsection 84-404, line 3.

Following: "through"

Strike: "84-301.15 and 84-308"

Insert: "84-301.19"

30. Amend page 75, section 47, line 4.

Following: "84-401"

Strike: "and 84-308"

31. Amend page 84, section 50, subsection (1), line 20.

Following: "~~84-301.7~~"

Strike: "84-301.7"

Insert: "84-301.6"

32. Amend page 91, section 55, line 7.

Following: "two-~~4~~"

Strike: "2"

Insert: "6"

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33. Amend page 91, section 55, line 8.

Following: "three"

Strike: "3"

Insert: "9"

34. Amend page 91, section 55, line 15.

Following: "three-4"

Strike: "3"

Insert: "9"

35. Amend page 93, section 55, line 2.

Following: half-4"

Strike: "1 1/2"

Insert: "4.5"

36. Amend page 94, section 57, line 16.

Following: "ten"

Strike: "10"

Insert: "30"

37. Amend page 95, section 58, line 8.

Following: "84-301"

Strike: "84-301.12"

Insert: "84-301.3"

38. Amend page 96, section 59, line 23.

Following: "class-2"

Strike: "class two"

Insert: "classes eight and twelve"

39. Amend page 97, section 59, line 4.

Following: "2"

Strike: "class two"

Insert: "classes eight and twelve"

40. Amend page 97, section 60, lines 13 and 14.

Following: "in"

Strike: "84-301.5, 84-301.6, 84-301.8, 84-301.9, 84-301.11, 84-301.15, or"

Insert: "84-301.2 through 84-301.19 and"

41. Amend page 98, section 61, line 3.

Following: "through"

Strike: "84-301.15 and 84-401"

Insert: "84-301.19"

42. Amend page 99, section 64, line 24.

Following: "class"

Strike: "seven"

Insert: "eighteen"



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43. Amend page 99, section 64, line 25.

Following: "84-302.7"

Strike: "84-301.8"

Insert: "84-301.19"

44. Amend page 100, section 64, subsection (2), line 6.

Following: "class"

Strike: "eight"

Insert: "fifteen"

45. Amend page 100, section 64, subsection (2), line 7.

Following: "84-302"

Strike: "84-301.9"

Insert: "84-301.16"

AS AMENDED, DO PASS

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REP. HERB HUENNEKENS, CHAIRMAN

1 HOUSE BILL NO. 70  
 2 INTRODUCED BY FABREGA, MODRE, O'KEEFE, FAGG,  
 3 WILLIAMS, LIEN, HUENNEKENS, VINCENT, UNDERDAL  
 4  
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE PROPERTY  
 6 TAX SYSTEM BY GENERALLY REVISING AND RECODIFYING SECTIONS  
 7 RELATING TO PROPERTY CLASSIFICATION AND TAXATION AND BY  
 8 ESTABLISHING MARKET VALUE AS THE BASIS OF TAXATION, EXCEPT  
 9 FOR CERTAIN CASES, AND ADJUSTING THE TAXABLE PERCENTAGE  
 10 ACCORDINGLY; AMENDING SECTIONS 11-988, 11-1011, 11-1019,  
 11 11-1301, 11-1909, 11-1919, 11-2201, 11-2205, 11-2303,  
 12 11-3921, 11-4111, 14-307, 16-502, 16-807, 16-808, 16-1152,  
 13 16-1412, 16-2010.1, 16-4020, 32-3107, 46-1914, 53-114,  
 14 53-1025, 69-3504, ~~69-3923~~, 75-7104, 75-8104, 84-101, 84-401,  
 15 84-402, 84-404, 84-406, 84-602, 84-708.1, 84-728, 84-4605,  
 16 84-4701, 84-4701.2, 84-4713, 84-5103, 84-5211, 84-5214,  
 17 84-5216, 84-5406, 84-6008, 84-6102, 84-6103, 84-6205,  
 18 84-6407, ~~84-7403~~, 84-7513, AND 89-3403, R.C.M. 1947; AND  
 19 REPEALING SECTIONS 69-3923, 84-301, ~~AND~~ 84-302, ~~84-304~~  
 20 ~~84-305~~, ~~84-307~~, ~~AND~~ ~~84-308~~, R.C.M. 1947."  
 21  
 22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
 23 Section 1. There is a new R.C.M. section numbered  
 24 84-301.1 that reads as follows:  
 25 84-301.1. Classification of taxable property. For the

1 purpose of taxation, the taxable property in the state shall  
 2 be classified in accordance with 84-301.2 through ~~84-301.15~~  
 3 ~~84-301.19~~.  
 4 Section 2. There is a new R.C.M. section numbered  
 5 84-301.2 that reads as follows:  
 6 84-301.2. Class one property -- description -- taxable  
 7 percentage. (1) Class one property includes the right of  
 8 entry which is a property right reserved in land or received  
 9 by mesne conveyance (exclusive of leasehold interests),  
 10 devise, or succession to enter land whose surface title is  
 11 held by another to explore, prospect, or dig for oil, gas,  
 12 coal, or minerals. The market value of the right of entry  
 13 is determined by the department of revenue.  
 14 (2) Class one property is taxed at 100% of its market  
 15 value.  
 16 Section 3. There is a new R.C.M. section numbered  
 17 84-301.3 that reads as follows:  
 18 84-301.3. Class two property -- description -- taxable  
 19 percentage. ~~(1) Class two property includes:~~  
 20 ~~(a) all agricultural and other tools, implements, and~~  
 21 ~~machinery;~~  
 22 ~~(b) gas and other engines and boilers and threshing~~  
 23 ~~machines and outfits used therewith;~~  
 24 ~~(c) automobiles, motor trucks, and other power-driven~~  
 25 ~~cars and vehicles of all kinds except mobile homes;~~

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1       ~~(d) boats and all watercraft;~~  
2       ~~(e) harness, saddlery, and robes;~~  
3       ~~(f) all property, except that included in class five~~  
4       ~~84-301.6, used and owned by persons, firms, corporations, or~~  
5       ~~other organizations that are engaged in the business of~~  
6       ~~furnishing telephone communications exclusively to rural~~  
7       ~~areas or to rural areas and cities and towns of 800 persons~~  
8       ~~or less. The average circuit miles for each station on the~~  
9       ~~telephone communications system must be more than 1 1/4~~  
10       ~~miles to qualify for this classification.~~  
11       ~~(2) Class two property is taxed at 13% of its market~~  
12       ~~value. (1) CLASS TWO PROPERTY INCLUDES THE ANNUAL NET~~  
13       ~~PROCEEDS OF ALL MINES AND MINING CLAIMS, EXCEPT COAL AND~~  
14       ~~METAL MINES.~~  
15       ~~(2) CLASS TWO PROPERTY IS TAXED AT 100% OF ITS ANNUAL~~  
16       ~~NET PROCEEDS AFTER DEDUCTING THE EXPENSES SPECIFIED AND~~  
17       ~~ALLOWED BY 84-5403.~~  
18       ~~Section 4. There is a new R.C.M. section numbered~~  
19       ~~84-301.4 that reads as follows:~~  
20       ~~84-301.4. Class three property description~~  
21       ~~percentage. (1) Class three property includes:~~  
22       ~~(a) livestock, poultry, and unprocessed products of~~  
23       ~~both;~~  
24       ~~(b) furniture and fixtures used in commercial, office,~~  
25       ~~and hotel activities, except improvements included in class~~

1       ~~nine.~~  
2       ~~(2) Class three property is taxed at 13% of its market~~  
3       ~~value.~~  
4       ~~Section 5. There is a new R.C.M. section numbered~~  
5       ~~84-301.5 that reads as follows:~~  
6       ~~84-301.5. Class four property description~~  
7       ~~taxable percentage. (1) Class four property includes:~~  
8       ~~(a) all land, except agricultural land meeting the~~  
9       ~~qualifications of 84-437.2;~~  
10       ~~(b) all improvements, except those included in class~~  
11       ~~five, eight, or nine;~~  
12       ~~(c) all trailers affixed to land owned, leased, or~~  
13       ~~under contract for purchase by the trailer owner;~~  
14       ~~(d) all mobile homes, except:~~  
15       ~~(i) those held by a distributor or dealer of mobile~~  
16       ~~homes as part of his stock in trade; and~~  
17       ~~(ii) those included in class eight;~~  
18       ~~(e) manufacturing and mining machinery, fixtures, and~~  
19       ~~supplies, except those included in class five, seven, or~~  
20       ~~eight.~~  
21       ~~(2) Class four property is taxed at 12% of its market~~  
22       ~~value.~~  
23       ~~Section 6. There is a new R.C.M. section numbered~~  
24       ~~84-301.6 that reads as follows:~~  
25       ~~84-301.6. Class five property description~~

1 ~~taxable percentages. (1) Class five property includes:~~  
2 ~~(a) all property used and owned by cooperative rural~~  
3 ~~electrical and cooperative rural telephone associations as~~  
4 ~~provided in (2)(a) of this section;~~  
5 ~~(b) all unprocessed agricultural products on the farm~~  
6 ~~or in storage, except:~~  
7 ~~(i) all perishable fruits and vegetables in farm~~  
8 ~~storage and owned by the producer; and~~  
9 ~~(ii) livestock and poultry and the unprocessed products~~  
10 ~~of both;~~  
11 ~~(c) a dwelling house and the lot on which it is~~  
12 ~~erected, owned and occupied by a disabled veteran under the~~  
13 ~~condition specified in (2)(b) of this section.~~  
14 ~~(2) (a) The property of all cooperative rural~~  
15 ~~electrical and cooperative rural telephone associations~~  
16 ~~organized under the laws of Montana is included in this~~  
17 ~~class, except that when less than 95% of the electricity~~  
18 ~~consumers or telephone users within the incorporated limits~~  
19 ~~of a city or town are served by the cooperative~~  
20 ~~organization, the property is included in class two.~~  
21 ~~(b) To be included in this class, a dwelling house and~~  
22 ~~lot on which it is erected must be owned and occupied by a~~  
23 ~~resident of the state:~~  
24 ~~(i) who has been honorably discharged from active~~  
25 ~~service in any branch of the armed services; and~~

1 ~~(ii) who is rated 100% disabled due to a~~  
2 ~~service-connected disability by the United States veterans~~  
3 ~~administration or its successor, in the event of the~~  
4 ~~veteran's death, the dwelling house and the lot on which it~~  
5 ~~is erected shall remain in this class as long as the~~  
6 ~~surviving spouse remains unmarried and the owner and~~  
7 ~~occupant of the property.~~  
8 ~~(3) Class five property is taxed at 4.2% of its market~~  
9 ~~value.~~  
10 ~~Section 7. There is a new R&E&M section numbered~~  
11 ~~64-3017 that reads as follows:~~  
12 ~~64-3017. Class six property description taxable~~  
13 ~~percentages. (1) Class six property includes moneyed capital~~  
14 ~~and shares of banks.~~  
15 ~~(2) Moneyed capital is defined as moneys, bonds,~~  
16 ~~notes, and other evidence of indebtedness, including~~  
17 ~~evidence of indebtedness secured by mortgage on real or~~  
18 ~~personal property in the hands of individual citizens and~~  
19 ~~corporations in competition with the business of national~~  
20 ~~banks or employed in conducting a banking or investment~~  
21 ~~business.~~  
22 ~~(3) In ascertaining the value of moneyed capital for~~  
23 ~~taxation, any deposits and any indebtedness borrowed for use~~  
24 ~~as moneyed capital are deducted from the amount of bonds,~~  
25 ~~notes, and other evidence of indebtedness.~~

1 ~~{4} In ascertaining the value of the shares of a~~  
 2 ~~national bank for taxation, the book value of all real~~  
 3 ~~estate owned by a bank is deducted from the value of the~~  
 4 ~~shares and assessed to the bank separately. The shares of~~  
 5 ~~banking corporations engaged in the banking business in~~  
 6 ~~Montana are assessed at 100% of book value, less the book~~  
 7 ~~value of the real estate, moneyed capital, and other~~  
 8 ~~property of the bank that is assessed and taxed as the~~  
 9 ~~property of the banks.~~

10 ~~{5} Class six property is taxed at 30% of its book~~  
 11 ~~value, with the exception of the surplus shown on the bank's~~  
 12 ~~books. The surplus to the amount of the stated capital of~~  
 13 ~~the bank is taxed at 7% of its book value. The amount of~~  
 14 ~~surplus in excess of the stated capital is taxed at 30%.~~

15 ~~Section 8. There is a new R.C.M. section numbered~~  
 16 ~~84-301.8 that reads as follows:~~

17 ~~84-301.8. Class seven property ----- description -----~~  
 18 ~~taxable percentage. (1) Class seven property includes:~~

- 19 ~~(a) business inventories as defined in this section;~~
- 20 ~~(b) air pollution control equipment as defined in this~~
- 21 ~~section;~~
- 22 ~~(c) all new industrial property as defined in this~~
- 23 ~~section;~~
- 24 ~~(d) a capital investment in a recognized nonfossil~~
- 25 ~~form of energy generation, to the extent provided under~~

1 84-7403.

2 ~~{2} "Business inventories" includes goods intended for~~  
 3 ~~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 shall not include goods leased or~~  
 6 ~~rented or mobile homes held by a dealer or distributor as~~  
 7 ~~part of his stock in trade.~~

8 ~~{3} "Air pollution control equipment" means~~  
 9 ~~facilities, machinery or equipment attached or unattached~~  
 10 ~~to real property, utilized to reduce, eliminate, control, or~~  
 11 ~~prevent air pollution. The department of health and~~  
 12 ~~environmental sciences shall determine if such utilization~~  
 13 ~~is being made.~~

14 ~~{4} (a) "New industrial property" means any new~~  
 15 ~~industrial plant, including land, buildings, machinery, and~~  
 16 ~~fixtures, which is used by a new industry during the first 3~~  
 17 ~~years of its operations. The property must not have been~~  
 18 ~~assessed prior to July 1, 1961, within the state of Montana.~~

19 ~~(b) New industrial property is limited to industries~~  
 20 ~~that:~~

- 21 ~~(i) manufacture, mill, mine, produce, process, or~~
- 22 ~~fabricate materials;~~
- 23 ~~(ii) do similar work, employing capital and labor, in~~
- 24 ~~which materials unserviceable in their natural state are~~
- 25 ~~extracted, processed, or made fit for use or are~~

1 ~~substantially altered or treated so as to create commercial~~  
 2 ~~products or materials; or~~  
 3 ~~(iii) engage in the mechanical or chemical~~  
 4 ~~transformation of materials or substances into new products~~  
 5 ~~in the manner defined as manufacturing in the 1972 Standard~~  
 6 ~~Industrial Classification Manual prepared by the United~~  
 7 ~~States office of management and budget;~~  
 8 ~~(c) New industrial property shall in no event include:~~  
 9 ~~(i) property used by retail or wholesale merchants;~~  
 10 ~~commercial services of any type; agricultures, trades, or~~  
 11 ~~professionists;~~  
 12 ~~(ii) a plant that will create adverse impact on~~  
 13 ~~existing state, county, or municipal services;~~  
 14 ~~(iii) property used or employed in any industrial plant~~  
 15 ~~that has been in operation in this state for 3 years or~~  
 16 ~~longer;~~  
 17 ~~(5) "New industry" means any person, corporation,~~  
 18 ~~firm, partnership, association, or other group that~~  
 19 ~~establishes a new plant or plants in Montana for the~~  
 20 ~~operation of a new industrial endeavor, as distinguished~~  
 21 ~~from a mere expansion, reorganization, or merger of an~~  
 22 ~~existing industry or industries;~~  
 23 ~~(6) The department of revenue shall promulgate rules~~  
 24 ~~for the determination of what constitutes an adverse impact,~~  
 25 ~~taking into consideration the number of people to be~~

1 ~~employed and the size of the community in which the location~~  
 2 ~~is contemplated. Any person, corporation, firm, partnership,~~  
 3 ~~association, or other group seeking to qualify its property~~  
 4 ~~for inclusion in this class shall make application to the~~  
 5 ~~department of revenue in such a manner and form as the~~  
 6 ~~department requires. Once the department has made an initial~~  
 7 ~~determination that the industrial facility qualifies as new~~  
 8 ~~industrial property, the department shall then, upon proper~~  
 9 ~~notice, hold a hearing to determine if the new industrial~~  
 10 ~~classification should be retained by the property. The local~~  
 11 ~~taxing authority may appear at the hearing and may waive its~~  
 12 ~~objection to retention of this classification if the~~  
 13 ~~industry agrees to the prepayment of taxes sufficient to~~  
 14 ~~satisfy tax requirements created by the location and~~  
 15 ~~construction of the facility during the construction period.~~  
 16 ~~When a prepayment of taxes is required, the maximum amount~~  
 17 ~~of prepayment shall be the amount of tax the industry would~~  
 18 ~~have paid without the application of the class seven~~  
 19 ~~percentage to such property.~~  
 20 ~~(7) If a major new industrial facility qualifies under~~  
 21 ~~class seven, the reduction of its yearly payment of property~~  
 22 ~~taxes for reimbursement of its prepaid taxes as provided for~~  
 23 ~~in 84-41-105 does not begin until the class seven~~  
 24 ~~qualification expires.~~  
 25 ~~(8) Class seven property shall be taxed at 4.2% of its~~

1 market values  
 2 Section 9. There is a new R&C&M section numbered  
 3 84-301.9 that reads as follows:  
 4 84-301.9. Class eight property description  
 5 taxable percentage. (1) Class eight property includes:  
 6 (a) a capital investment in a building for an energy  
 7 conservation purpose, to the extent provided under 84-7403;  
 8 (b) any improvement on real property, a trailer  
 9 affixed to land, or a mobile home and appurtenant land not  
 10 exceeding 5 acres, which together meet the following  
 11 conditions:  
 12 (i) have a market value of not more than \$27,500;  
 13 (ii) are owned or under contract for deed and are  
 14 actually occupied for at least 10 months per year as the  
 15 primary residential dwelling of:  
 16 (A) a widow or widower 62 years of age or older who  
 17 qualifies under the income limitations of (E) of this  
 18 section;  
 19 (B) a widow or widower of any age with dependent  
 20 children who qualifies under the income limitations of (E)  
 21 of this section; or  
 22 (C) a recipient or recipients of retirement or  
 23 disability benefits whose total income from all sources is  
 24 not more than \$6,000 a year for a single person or \$6,800 a  
 25 year for a married couple.

1 (2) (a) A person applying for classification of  
 2 property under this class must make an affidavit to the  
 3 department of revenue on a form provided by the department  
 4 without cost as to:  
 5 (i) his income, if applicable;  
 6 (ii) his retirement benefits, if applicable;  
 7 (iii) his marital status, if applicable; and  
 8 (iv) the fact that he maintains the land and  
 9 improvements as his primary residential dwelling.  
 10 (b) The county welfare board may investigate the  
 11 applicant as to the answers given on the form for the  
 12 purpose of the affidavit required for classification of  
 13 property under this class; it shall be sufficient if the  
 14 applicant signs a statement swearing to or affirming the  
 15 correctness of the information supplied, whether or not the  
 16 statement is signed before a person authorized to administer  
 17 oaths, and mails the application and statement to the  
 18 department of revenues. This signed statement shall be  
 19 treated as a statement under oath or equivalent affirmation  
 20 for the purposes of 94-7-203, relating to the criminal  
 21 offense of false swearing.  
 22 (c) The assessed value of the property may not be  
 23 increased during the life of the recipient of retirement  
 24 benefits or widow or widower covered under this class,  
 25 unless the owner resident makes a substantial improvement in

1 the dwelling  
 2 ~~{3} Class eight property is taxed at 6% of its market~~  
 3 ~~value~~  
 4 ~~Section 10. There is a new RvGm section numbered~~  
 5 ~~84-301.10 that reads as follows:~~  
 6 ~~84-301.10. Class nine property description~~  
 7 ~~taxable percentages: (1) Class nine property includes the~~  
 8 ~~incremental increase in the value of real estate produced by~~  
 9 ~~repairing, maintaining, or improving existing improvements;~~  
 10 ~~(2) Class nine property is taxed at:~~  
 11 ~~(a) 2.4% of the market value for the first full year~~  
 12 ~~following completion of the repair, maintenance, or~~  
 13 ~~improving of existing improvements;~~  
 14 ~~(b) 4.8% of the market value for the second full year~~  
 15 ~~following completion of the repair, maintenance, or~~  
 16 ~~improving of existing improvements;~~  
 17 ~~(c) 7.2% of the market value for the third full year~~  
 18 ~~following completion of the repair, maintenance, or~~  
 19 ~~improving of existing improvements;~~  
 20 ~~(d) 9.6% of the market value for the fourth full year~~  
 21 ~~following completion of the repair, maintenance, or~~  
 22 ~~improving of existing improvements; and~~  
 23 ~~(e) 12% of the market value for the fifth full year~~  
 24 ~~and every year thereafter following completion of the~~  
 25 ~~repair, maintenance, or improving of existing improvements.~~

1 ~~Section 11. There is a new RvGm section numbered~~  
 2 ~~84-301.11 that reads as follows:~~  
 3 ~~84-301.11. Class ten property description~~  
 4 ~~taxable percentages: (1) Class ten property includes:~~  
 5 ~~(a) centrally assessed utility allocations after~~  
 6 ~~deductions of locally assessed properties, except as~~  
 7 ~~provided in:~~  
 8 ~~(i) class two for rural telephones; and~~  
 9 ~~(ii) class five for cooperatives;~~  
 10 ~~(b) all other property not included in the nine~~  
 11 ~~preceding classes;~~  
 12 ~~(2) Class ten property is taxed at 16% of its market~~  
 13 ~~value.~~  
 14 ~~Section 12. There is a new RvGm section numbered~~  
 15 ~~84-301.12 that reads as follows:~~  
 16 ~~84-301.12. Class eleven property description~~  
 17 ~~taxable percentages: (1) Class eleven property includes the~~  
 18 ~~annual net proceeds of all mines and mining claims, except~~  
 19 ~~coal mines;~~  
 20 ~~(2) Class eleven property is taxed at 10% of its~~  
 21 ~~annual net proceeds after deducting the expenses specified~~  
 22 ~~and allowed by 84-5403.~~  
 23 ~~Section 13. There is a new RvGm section numbered~~  
 24 ~~84-301.13 that reads as follows:~~  
 25 ~~84-301.13. Class twelve property description~~



1 ~~taxable percentage. (1) Class twelve property includes the~~  
 2 ~~annual gross proceeds of underground coal mines.~~

3 ~~(2) Class twelve property is taxed at 33 1/3% of the~~  
 4 ~~annual gross proceeds.~~

5 ~~Section 14. There is a new R.C.M. section numbered~~  
 6 ~~84-301.14 that reads as follows:~~

7 ~~84-301.14. Class thirteen property -- description --~~  
 8 ~~taxable percentage. (1) Class thirteen property includes~~  
 9 ~~the annual gross proceeds of coal mines using the~~  
 10 ~~strip mining method.~~

11 ~~(2) Class thirteen property is taxed at 45% of the~~  
 12 ~~annual gross proceeds.~~

13 ~~Section 15. There is a new R.C.M. section numbered~~  
 14 ~~84-301.15 that reads as follows:~~

15 ~~84-301.15. Class fourteen property -- description --~~  
 16 ~~taxable percentage. (1) Class fourteen property includes~~  
 17 ~~agricultural land, as defined in 84-437.2.~~

18 ~~(2) Class fourteen property is taxed at 12% of its~~  
 19 ~~assessed value.~~

20 SECTION 5. THERE IS A NEW R.C.M. SECTION NUMBERED  
 21 84-301.4 THAT READS AS FOLLOWS:

22 84-301.4. Class three property -- description --  
 23 percentage. (1) Class three property includes the annual  
 24 gross proceeds of coal mines using the strip mining method.

25 (2) Class three property is taxed at 45% of its

1 assessed value, which is 100% of annual gross proceeds.

2 SECTION 5. THERE IS A NEW R.C.M. SECTION NUMBERED  
 3 84-301.5 THAT READS AS FOLLOWS:

4 84-301.5. Class four property -- description --  
 5 taxable percentage. (1) Class four property includes the  
 6 annual gross proceeds of underground coal mines.

7 (2) Class four property is taxed at 33 1/3% of its  
 8 assessed value, which is 100% of annual gross proceeds.

9 SECTION 6. THERE IS A NEW R.C.M. SECTION NUMBERED  
 10 84-301.6 THAT READS AS FOLLOWS:

11 84-301.6. Class five property -- description --  
 12 taxable percentage. (1) Class five property includes moneyed  
 13 capital and shares of banks.

14 (2) Moneyed capital is defined as moneys, bonds,  
 15 notes, and other evidence of indebtedness, including  
 16 evidence of indebtedness secured by mortgage on real or  
 17 personal property, in the hands of individual citizens and  
 18 corporations in competition with the business of national  
 19 banks or employed in conducting a banking or investment  
 20 business.

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

25 (4) In ascertaining the value of the shares of a

1 ~~national bank for taxation, the book value of all real~~  
 2 ~~estate owned by a bank is deducted from the value of the~~  
 3 ~~shares and assessed to the bank separately. The shares of~~  
 4 ~~banking corporations engaged in the banking business in~~  
 5 ~~Montana are assessed at 100% of book value, less the book~~  
 6 ~~value of the real estate, moneyed capital, and other~~  
 7 ~~property of the bank that is assessed and taxed as the~~  
 8 ~~property of the bank.~~

9 ~~(5) Class five property is taxed at 30% of its book~~  
 10 ~~value, with the exception of the surplus shown on the bank's~~  
 11 ~~books. The surplus, to the amount of the stated capital of~~  
 12 ~~the bank, is taxed at 7% of its book value. The amount of~~  
 13 ~~surplus in excess of the stated capital is taxed at 30%.~~

14 CLASS FIVE PROPERTY IS VALUED AND TAXED AS PROVIDED UNDER  
 15 84-304, 84-305, 84-307, 84-308, AND CHAPTER 46, TITLE 84.

16 SECTION 7. THERE IS A NEW R.C.M. SECTION NUMBERED  
 17 84-301.7 THAT READS AS FOLLOWS:

18 84-301.7. Class six property -- description -- taxable  
 19 percentage. (1) Class six property includes agricultural  
 20 land, as defined in 84-437.2.

21 (2) Class six property is taxed at 30% of its assessed  
 22 value.

23 SECTION 8. THERE IS A NEW R.C.M. SECTION NUMBERED  
 24 84-301.8 THAT READS AS FOLLOWS:

25 84-301.8. Class seven property -- description --

1 taxable percentage. (1) Class seven property includes:  
 2 (a) centrally assessed utility allocations after  
 3 deductions of locally assessed properties, except as  
 4 provided in:

- 5 (i) class fourteen for rural telephones; and
- 6 (ii) class eighteen for cooperatives;
- 7 (b) all other property not included in classes one
- 8 through six and classes eight through eighteen NINETEEN;
- 9 (c) large trucks and commercial trailers valued in the
- 10 department of revenue's truck and commercial trailer
- 11 schedule.

12 (2) Class seven property is taxed at 16% of its market  
 13 value.

14 SECTION 9. THERE IS A NEW R.C.M. SECTION NUMBERED  
 15 84-301.9 THAT READS AS FOLLOWS:

16 84-301.9. Class eight property -- description --  
 17 taxable percentage. (1) Class eight property includes:

- 18 (a) all agricultural and other tools, implements, and
- 19 machinery except:
- 20 (i) large farm machinery included in class twelve; and
- 21 (ii) ~~tools and implements included in class fourteen,~~

22 IMPLEMENTS AND MACHINERY INCLUDED IN CLASS FOURTEEN;

- 23 (b) gas and other engines and boilers and threshing
- 24 machines and outfits used therewith;

- 25 (c) harness, saddlery, and robes;

1 (2) Class eight property is taxed at 13% of its market  
2 value.

3 SECTION 10. THERE IS A NEW R.C.M. SECTION NUMBERED  
4 84-301.10 THAT READS AS FOLLOWS:

5 84-301.10. Class nine property -- description --  
6 taxable percentage. (1) Class nine property includes:

7 (a) automobiles, motor trucks, and other power-driven  
8 cars and vehicles of all kinds, except mobile homes,  
9 motorcycles, aircraft, camper trailers, and truck campers;

10 (b) livestock, poultry, and unprocessed products of  
11 both; and

12 (c) furniture and fixtures used in commercial, office,  
13 and hotel activities, except improvements included in class  
14 thirteen.

15 (2) Class nine property is taxed at 13.3% of its  
16 market value.

17 SECTION 11. INSTRUCTIONS TO CODE COMMISSIONER AND  
18 PUBLISHER. IF HOUSE BILL 85 IS ENACTED INTO LAW, THE CODE  
19 COMMISSIONER AND THE PUBLISHER SHALL TRANSFER LIVESTOCK,  
20 POULTRY, AND UNPROCESSED PRODUCTS OF BOTH FROM CLASS EIGHT  
21 PROPERTY TO CLASS FOURTEEN PROPERTY.

22 SECTION 12. THERE IS A NEW R.C.M. SECTION NUMBERED  
23 84-301.11 THAT READS AS FOLLOWS:

24 84-301.11. Class ten property -- description --  
25 taxable percentage. (1) Class ten property includes:

1 (a) aerial, surface, and portable ski lifts and ski  
2 tows, including the towers, cables, ropes, sheave  
3 assemblies, conveying devices, power units, and all  
4 accessories;

5 (b) manufacturing and mining machinery, fixtures, and  
6 supplies, except those included in class eighteen; and

7 (c) camper trailers and truck campers valued in the  
8 ~~"Official Boat-Trailer-Trade-in-Guide-Blue-Book"~~ "NADA's  
9 RECREATIONAL VEHICLE APPRAISAL GUIDE".

10 (2) Class ten property is taxed at 12% of market  
11 value.

12 SECTION 13. THERE IS A NEW R.C.M. SECTION NUMBERED  
13 84-301.12 THAT READS AS FOLLOWS:

14 84-301.12. Class eleven property -- description --  
15 taxable property. (1) Class eleven property includes:

16 (a) all land, except agricultural land meeting the  
17 qualification of 84-437.2;

18 (b) all improvements, except those included in classes  
19 fifteen and eighteen;

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

22 (d) all mobile homes, except:

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

25 (ii) those included in class fifteen.

1 (2) Class eleven property is taxed at 12% of its  
2 market value, OR SO MUCH OF 12% AS IS DETERMINED UNDER  
3 84-309, WHICHEVER IS LESS.

4 SECTION 14. THERE IS A NEW R.C.M. SECTION NUMBERED  
5 84-301.13 THAT READS AS FOLLOWS:

6 84-301.13. Class twelve property -- description --  
7 taxable percentage. (1) Class twelve property includes:

- 8 (a) boats and all watercraft;
- 9 (b) aircraft;
- 10 (c) motorcycles; and

11 (d) large farm machinery valued in the official guide  
12 tractors and farm implements and department valuation  
13 schedules.

14 (2) Class twelve property is taxed at 11% of its  
15 market value.

16 SECTION 15. THERE IS A NEW R.C.M. SECTION NUMBERED  
17 84-301.14 THAT READS AS FOLLOWS:

18 84-301.14. Class thirteen property -- description --  
19 taxable percentage. (1) Class thirteen property includes the  
20 incremental increase in the value of real estate produced by  
21 repairing, maintaining, or improving existing improvements.

22 (2) Class thirteen property is taxed at:

- 23 (a) 2.4% of the market value for the first full year
- 24 following completion of the repair, maintenance, or
- 25 improving of existing improvements;

1 (b) 4.8% of the market value for the second full year  
2 following completion of the repair, maintenance, or  
3 improving of existing improvements;

4 (c) 7.2% of the market value for the third full year  
5 following completion of the repair, maintenance, or  
6 improving of existing improvements;

7 (d) 9.6% of the market value for the fourth full year  
8 following completion of the repair, maintenance, or  
9 improving of existing improvements; and

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

13 SECTION 16. THERE IS A NEW R.C.M. SECTION NUMBERED  
14 84-301.15 THAT READS AS FOLLOWS:

15 84-301.15. Class fourteen property -- description --  
16 taxable percentage. (1) Class fourteen property includes:

- 17 (a) all poles, lines, transformers, transformer
- 18 stations, meters, tools, improvements, machinery and other
- 19 property, except that included in class eighteen, used and
- 20 owned by persons, firms, corporations, or other
- 21 organizations that are engaged in the business of furnishing
- 22 telephone communications exclusively to rural areas or to
- 23 rural areas and cities and towns of 800 persons or less. The
- 24 average circuit miles for each station on the telephone
- 25 communications system must be more than 1 1/4 miles to

1 qualify for this classification;

2 (b) tools, implements, and machinery used to repair  
3 and maintain machinery not used for manufacturing and mining  
4 purposes; and

5 ~~(c) electric transformers and meters and gas  
6 regulators and meters that are not part of the single and  
7 continuous property of a utility that is centrally assessed.~~

8 ~~(c) ELECTRIC TRANSFORMERS AND METERS AND GAS  
9 REGULATORS AND METERS THAT ARE NOT PART OF THE SINGLE AND  
10 CONTINUOUS PROPERTY OF A UTILITY THAT IS CENTRALLY ASSESSED,  
11 AND ELECTRIC LIGHT AND POWER SUBSTATION MACHINERY,  
12 COMPRESSOR STATION MACHINERY, MEASURING AND REGULATING  
13 STATION EQUIPMENT, AND TOOLS USED IN THE REPAIR AND  
14 MAINTENANCE OF THE PROPERTY INCLUDED IN THIS SUBSECTION.~~

15 ~~(c) ELECTRIC TRANSFORMERS AND METERS AND GAS  
16 REGULATORS AND METERS THAT ARE NOT PART OF THE SINGLE AND  
17 CONTINUOUS PROPERTY OF A UTILITY THAT IS CENTRALLY ASSESSED,  
18 ELECTRIC LIGHT AND POWER SUBSTATION MACHINERY, AND NATURAL  
19 GAS MEASURING AND REGULATING STATION EQUIPMENT, METERS, AND  
20 COMPRESSOR STATION MACHINERY OWNED BY CENTRALLY ASSESSED  
21 PUBLIC UTILITIES, AND TOOLS USED IN THE REPAIR AND  
22 MAINTENANCE OF THE PROPERTY INCLUDED IN THIS SUBSECTION.~~

23 (2) Class fourteen is taxed at 8% of its market value.

24 SECTION 17. THERE IS A NEW R.C.M. SECTION NUMBERED  
25 84-301.16 THAT READS AS FOLLOWS:

1 84-301.16. Class fifteen property -- description --  
2 taxable percentage. (1) Class fifteen property includes:

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

6 ~~(b)(A) any improvement on real property, a trailer  
7 affixed to land, or a mobile home and appurtenant land not  
8 exceeding 5 acres, which together meet the following  
9 conditions:~~

10 (i) have a market value of not more than \$27,500;  
11 (ii) are owned or under contract for deed and are  
12 actually occupied for at least 10 months per year as the  
13 primary residential dwelling of:

14 (A) a widow or widower 62 years of age or older who  
15 qualifies under the income limitations of (C) of this  
16 section;

17 (B) a widow or widower of any age with dependent  
18 children who qualifies under the income limitations of (C)  
19 of this section; or

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

24 (2) (a) A person applying for classification of  
25 property under this class must make an affidavit to the

1 department of revenue on a form provided by the department  
2 without cost as to:

- 3 (i) his income, if applicable;
- 4 (ii) his retirement benefits, if applicable;
- 5 (iii) his marital status, if applicable; and
- 6 (iv) the fact that he maintains the land and  
7 improvements as his primary residential dwelling.

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

20 (c) The assessed value of the property may not be  
21 increased during the life of the recipient of retirement  
22 benefits or widow or widower covered under this class,  
23 unless the owner-resident makes a substantial improvement in  
24 the dwelling.

25 (3) Class fifteen property is taxed at 6% of its

1 ~~market value OR SO MUCH OF 6% AS IS DETERMINED UNDER 84-309,~~  
2 ~~WHICHEVER IS LESS, OR IN THE CASE OF PROPERTY CLASSIFIED~~  
3 ~~UNDER (1)(B) OF THIS SECTION, SO MUCH OF 6% AS IS DETERMINED~~  
4 ~~UNDER 84-309, WHICHEVER IS LESS.~~

5 SECTION 18. THERE IS A NEW R.C.M. SECTION NUMBERED  
6 84-301.17 THAT READS AS FOLLOWS:

7 84-301.17. Class sixteen property -- description --  
8 taxable percentage. (1) Class sixteen property includes:

- 9 (a) business inventories as defined in this section;
- 10 and
- 11 (b) mobile machines, valued as other heavy  
12 construction equipment is valued, used in new industries, as  
13 defined in class eighteen.

14 (2) Mobile machines used in new industry are subject  
15 to the conditions imposed in class eighteen for other  
16 property used in new industries.

17 (3) "Business inventories" includes goods intended for  
18 sale or lease in the ordinary course of business and raw  
19 materials and work in progress with respect to such goods.  
20 Business inventories shall not include goods leased or  
21 rented or mobile homes held by a dealer or distributor as  
22 part of his stock in trade.

23 (4) The market value of business inventories, for  
24 property tax purposes, is the cost to the person subject to  
25 the inventory tax.

1 (5) Class sixteen property is taxed at 4.2% of market  
2 value.

3 ~~SECTION 19. THERE IS A NEW R.C.M. SECTION NUMBERED~~  
4 ~~84-301.18 THAT READS AS FOLLOWS:~~

5 84-301.18. Class seventeen property -- description --  
6 taxable percentage. (1) Class seventeen property includes  
7 all unprocessed agricultural products on the farm or in  
8 storage, except:

9 (a) all perishable fruits and vegetables in farm  
10 storage and owned by the producer; and

11 (b) livestock and poultry and the unprocessed products  
12 of both.

13 (2) Class seventeen property is taxed at 3.5% of  
14 market value.

15 ~~SECTION 20. THERE IS A NEW R.C.M. SECTION NUMBERED~~  
16 ~~84-301.19 THAT READS AS FOLLOWS:~~

17 84-301.19. Class eighteen property -- description --  
18 taxable percentage. (1) Class eighteen property includes:

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

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

23 (ii) is rated 100% disabled due to a service-connected  
24 disability by the United States veterans administration or  
25 its successor. In the event of the veteran's death, the

1 dwelling house and the lot on which it is erected shall  
2 remain in this class as long as the surviving spouse remains  
3 unmarried and the owner and occupant of the property.

4 (b) all property used and owned by cooperative rural  
5 electrical and cooperative rural telephone associations as  
6 provided in (2)(a) of this section.

7 (c) air pollution control equipment as defined in this  
8 section;

9 (d) new industrial property as defined in this  
10 section; and

11 ~~(e) a capital investment in a recognized nonfossil~~  
12 ~~form of energy generation, to the extent provided under~~  
13 ~~84-7403.~~

14 (2) (a) The property of all cooperative rural  
15 electrical and cooperative rural telephone associations  
16 organized under the laws of Montana is included in this  
17 class; except that when less than 95% of the electricity  
18 consumers or telephone users within the incorporated limits  
19 of a city or town are served by the cooperative  
20 organization, the property is included in class eighteen.

21 (b) "Air pollution control equipment" means  
22 facilities, machinery, or equipment, attached or unattached  
23 to real property, utilized to reduce, eliminate, control, or  
24 prevent air pollution. The department of health and  
25 environmental sciences determines if such utilization is

1 being made.

2 (c) "New industrial property" means any new industrial  
3 plant, including land, buildings, machinery, and fixtures,  
4 except mobile machinery, which is used by a new industry  
5 during the first 3 years of its operation. The property may  
6 not have been assessed prior to July 1, 1961, within the  
7 state of Montana.

8 (i) New industrial property is limited to industries  
9 that:

10 (A) manufacture, mill, mine, produce, process, or  
11 fabricate materials;

12 (B) do similar work, employing capital and labor, in  
13 which materials unserviceable in their natural state are  
14 extracted, processed, or made fit for use or are  
15 substantially altered or treated so as to create commercial  
16 products or materials; or

17 (C) engage in the mechanical or chemical  
18 transformation of materials or substances into new products  
19 in the manner defined as manufacturing in the 1972 Standard  
20 Industrial Classification Manual prepared by the United  
21 States office of management and budget.

22 (ii) New industrial property does not include:

23 (A) property used by retail or wholesale merchants,  
24 commercial services of any type, agriculture, trades, or  
25 professions;

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

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

6 (c) "New industry" means any person, corporation,  
7 firm, partnership, association, or other group that  
8 establishes a new plant or plants in Montana for the  
9 operation of a new industrial endeavor, as distinguished  
10 from a mere expansion, reorganization, or merger of an  
11 existing industry or industries.

12 (3) The department of revenue shall promulgate rules  
13 for the determination of what constitutes an adverse impact,  
14 taking into consideration the number of people to be  
15 employed and the size of the community in which the location  
16 is contemplated. Any person, corporation, firm, partnership,  
17 association, or other group seeking to qualify its property  
18 for inclusion in this class shall make application to the  
19 department of revenue in such a manner and form as the  
20 department requires. Once the department has made an initial  
21 determination that the industrial facility qualifies as new  
22 industrial property, the department shall then, upon proper  
23 notice, hold a hearing to determine if the new industrial  
24 classification should be retained by the property. The local  
25 taxing authority may appear at the hearing and may waive its



1 objection to retention of this classification if the  
 2 industry agrees to the prepayment of taxes sufficient to  
 3 satisfy tax requirements created by the location and  
 4 construction of the facility during the construction period.  
 5 When a prepayment of taxes is required, the maximum amount  
 6 of prepayment shall be the amount of tax the industry would  
 7 have paid without the application of the class seven  
 8 percentage to such property.

9 (4) If a major new industrial facility qualifies under  
 10 class eighteen, the reduction of its yearly payment of  
 11 property taxes for reimbursement of its prepaid taxes as  
 12 provided for in 84-41-105 does not begin until the class  
 13 eighteen qualification expires.

14 (5) Class eighteen property shall be taxed at 2.8% of  
 15 its market value, ~~OR IN THE CASE OF PROPERTY CLASSIFIED~~  
 16 ~~UNDER (1)(A) OF THIS SECTION, SO MUCH OF 2.8% AS IS~~  
 17 ~~DETERMINED UNDER 84-309, WHICHEVER IS LESS.~~

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

20 "84-401. ~~Property assessed at forty percent (40%) of~~  
 21 ~~its full cash value -- exceptions Assessments, definitions,~~  
 22 ~~and exceptions. (1) All taxable real property and~~  
 23 ~~improvements must be assessed at forty percent (40%) 100% of~~  
 24 ~~its full cash market value except\* as provided in subsection~~  
 25 ~~(5) of this section AND IN 84-429.14 THROUGH 84-429.17.~~

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

5 (3) ~~The department of revenue or its agents may not~~  
 6 ~~adopt a lower or different standard of value from market~~  
 7 ~~value in making the official assessment and appraisal of the~~  
 8 ~~value of property in classes ~~one through ten~~ with the~~  
 9 ~~exception of class six CLASS ONE AND CLASSES SEVEN THROUGH~~  
 10 ~~EIGHTEEN. For purposes of taxation, assessed value is the~~  
 11 ~~same as appraised value.~~

12 (4) ~~The taxable value for all property in classes ~~one~~~~  
 13 ~~through ~~ten~~ with the exception of class six CLASS ONE AND~~  
 14 ~~CLASSES SEVEN THROUGH EIGHTEEN is the percentage of market~~  
 15 ~~value established for each class of property in 84-301.2~~  
 16 ~~through ~~84-301.11~~ excluding ~~84-301.7~~ AND 84-301.8 THROUGH~~  
 17 ~~84-301.19.~~

18 (5) ~~The assessed value of properties in ~~84-301.7 and~~~~  
 19 ~~~~84-301.12 through 84-301.15~~ 84-301.3 THROUGH 84-301.7 is as~~  
 20 ~~follows:~~

21 (a) ~~Property in ~~84-301.7~~ 84-301.6, under class six~~  
 22 ~~FIVE, is assessed at 100% of book value, by the method~~  
 23 ~~established in ~~84-301.7~~ 84-301.6, ~~84-468.4~~ and ~~84-468.5~~ AND~~  
 24 ~~THE SECTIONS CITED THEREIN.~~

25 (b) ~~Properties in section ~~84-301~~ ~~84-301.12~~~~

1 ~~84-301.3~~, under ~~Class One class eleven~~ IMQ, shall be are  
2 assessed at ~~one-hundred-percent (100%) of full-cash-value of~~  
3 the annual net proceeds after deducting the expenses  
4 specified and allowed by 84-5403.

5 ~~(c) Properties in 84-301.13 and 84-301.14~~ 84-301.4,  
6 AND 84-301.5, AND 84-301.20, under classes twelve THREE and,  
7 thirteen FOUR, AND NINETEEN are assessed at 100% of the  
8 annual gross proceeds.

9 ~~(2)(d) The assessment of agricultural lands shall be~~  
10 based upon Properties in 84-301.15 84-301.7, under class  
11 fourteen SIX, are assessed at 100% of the productive  
12 capacity of the lands when valued for agricultural purposes.  
13 All lands that meet the qualifications of 84-437.2 shall be  
14 are valued as agricultural lands for tax purposes that meet  
15 the qualifications of section 84-437.2, R.C.M. 1947.

16 ~~(6) Land and the improvements thereon shall be are~~  
17 separately assessed when any of the following conditions  
18 occur:

19 (a) when ownership of the improvements is different  
20 from ownership of the land;

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

23 (c) when the land is outside an incorporated city or  
24 town.

25 ~~(7) The taxable value of all property shall be~~

1 ~~determined by sections 84-301 and 84-308 in classes eleven~~  
2 ~~IMQ through fourteen SIX is the percentage of assessed value~~  
3 ~~established in 84-301.12 84-301.3 through 84-301.15 84-301.7~~  
4 ~~for each class of property."~~

5 Section 22. Section 11-988, R.C.M. 1947, is amended to  
6 read as follows:

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

1 favor thereof."

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

4 "11-1011. Tax levy for band concerts. For the purpose  
5 of providing band concerts ~~as in this act provided,~~ the  
6 council or other governing body in any town or city of the  
7 first, second, or third class, or of any incorporated town,  
8 may assess and levy, in addition to the levy for general  
9 municipal or administrative purposes, an amount not  
10 exceeding to exceed one 1 mill on the dollar on the assessed  
11 taxable value of the taxable property of the said city or  
12 town subject to taxation."

13 Section 24. Section 11-1019, R.C.M. 1947, is amended  
14 to read as follows:

15 "11-1019. Operation of bus lines -- contracting  
16 indebtedness. Whenever a city or town is not being served by  
17 a bus company or operator, operating on a regular schedule,  
18 and under the jurisdiction of the public service commission  
19 or if such service ~~is to be or~~ is likely to be discontinued  
20 in the immediate future, the city or town council of any  
21 incorporated city or town ~~shall have the power to~~ may  
22 contract an indebtedness of any such city or town upon the  
23 credit thereof by borrowing money or issuing bonds for the  
24 purchase, development, operation, or leasing of motor buses  
25 and bus lines for the transportation of passengers within

1 the corporate limits of such cities and towns, and to  
2 operate the same to any point or points beyond ~~said these~~  
3 limits not to exceed eight (8) miles, measured along the  
4 route of ~~said the~~ bus lines, ~~provided that the~~ the total  
5 amount of indebtedness authorized to be contracted in any  
6 form, including the then-existing indebtedness, ~~must may~~ not  
7 at any time exceed ~~five per centum (5%)~~ 18% of the total  
8 ~~assessed-valuation taxable value~~ of the taxable property of  
9 the city or town subject to taxation as ascertained by the  
10 last assessment for state and county taxes, ~~and provided~~  
11 ~~further, that no~~ no money ~~must may~~ be borrowed or bonds  
12 issued for the purposes herein specified in this section  
13 until the proposition has been submitted to the vote of the  
14 taxpayers ~~affected thereby~~ of the city or town, and the  
15 majority vote cast in its favor thereof."

16 Section 25. Section 11-1301, R.C.M. 1947, is amended  
17 to read as follows:

18 "11-1301. Presentation of claims -- limitation of  
19 actions. All accounts and demands against a city or town  
20 must be presented to the council duly itemized. All claims  
21 against a city or town shall contain the following  
22 statement: "I certify that this claim is correct and just in  
23 all respects, and that payment or credit has not been  
24 received." Claims need not be accompanied by affidavit by  
25 the party or his agent. These claims must be presented with

1 all necessary and proper vouchers, within one (1) year from  
 2 the date the same accrued, and any ~~any~~ claim or demand not  
 3 so presented within the this time aforesaid is forever  
 4 barred, and the council has no authority to allow any  
 5 account or demand not so presented, nor ~~must any~~ no action  
 6 may be maintained against the city or town for or on account  
 7 of any demand or claim against the same, city or town until  
 8 such demand or claim has first been presented to the  
 9 council, ~~for action thereon; provided, however, that, in~~ In  
 10 case the total indebtedness of a city or town has reached  
 11 ~~three per centum (3%)~~ 11% of the total ~~assessed valuation~~  
 12 taxable value of the taxable property of such ~~the~~ city or  
 13 town, subject to taxation as ascertained by the last  
 14 assessment for state and county taxes, ~~it shall be lawful~~  
 15 ~~for, and such the~~ city or town ~~is hereby authorized and~~  
 16 ~~empowered to~~ may conduct its affairs and business on a cash  
 17 basis as provided ~~and contemplated by the next section of~~  
 18 ~~this code 11-1302."~~

19 Section 26. Section 11-1909, R.C.M. 1947, is amended  
 20 to read as follows:

21 "11-1909. Levy of tax for volunteer fire departments.  
 22 For the purpose of supporting volunteer fire departments in  
 23 any city or town which does not have a paid fire department,  
 24 and for the purpose of purchasing the necessary equipment  
 25 therefor for them, the council in any city or town, may

1 ~~assess and~~ levy, in addition to other levies permitted by  
 2 law, a special tax not exceeding ~~two (2)~~ mills on each  
 3 dollar of the ~~assessed valuation~~ taxable value of the  
 4 taxable property of the city or town ~~and, provided, further,~~  
 5 ~~that the words "assessed valuation" as used in this section~~  
 6 ~~shall be the percentage of the true and full valuation of~~  
 7 ~~the taxable property provided in section 84-302 and shall~~  
 8 ~~not be deemed to be the true and full valuation of such~~  
 9 ~~property subject to taxation."~~

10 Section 27. Section 11-1919, R.C.M. 1947, is amended  
 11 to read as follows:

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

1 ~~by the state auditor~~ The city clerk of each such city or  
 2 town shall certify in writing to the state auditor on or  
 3 before April 1 of each year, the amount so paid by such ~~the~~  
 4 city or town as compensation for services to paid or  
 5 part paid firemen.

6 (2) ~~In the event of a disaster resulting in the death~~  
 7 ~~or injury sufficient to draw pension of ten percent (10%) of~~  
 8 ~~the active force when 10% of the active force, due to a~~  
 9 ~~disaster, suffers injury or death sufficient to draw pension~~  
 10 ~~and when the fund of such the fire department relief~~  
 11 ~~association after receiving all moneys as designated in~~  
 12 ~~section 11-1911 and section 11-1912 and the ten percent~~  
 13 ~~(10%) of annual compensation as designated in this chapter~~  
 14 ~~does not show at least the one (1) mill growth as referred~~  
 15 ~~to in section 11-1912, then the treasurer of such relief~~  
 16 ~~association shall request and the state auditor shall issue~~  
 17 ~~and deliver to the treasurer of every city or town of the~~  
 18 ~~first and second class, for the use and benefit of the fire~~  
 19 ~~department relief association legally existing in every the~~  
 20 ~~city or town entitled to receive the same, out of the~~  
 21 ~~premium tax collected by him, an additional amount to show~~  
 22 ~~at least the one (1) mill growth referred to in section~~  
 23 ~~11-1912. This amount is paid out of the premium tax~~  
 24 ~~collected by the state auditor.~~

25 (3) ~~In the event a city of the first or second class~~

1 is not entitled to receive a sum equal to forty five one  
 2 hundredths (45/100) ~~1 1/2~~ mills of its total assessed  
 3 valuation ~~taxable value~~ under the foregoing method of  
 4 computation; then in that event, the fire department relief  
 5 association of that city shall receive its money in the same  
 6 manner as provided below for cities of the third class.

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

21 (5) ~~The legally organized and existing fire department~~  
 22 ~~relief associations in in all cities or towns where the~~  
 23 ~~taxes on premiums collected and distributed pursuant to~~  
 24 ~~subsection (4) above is ~~are~~ insufficient to make an amount~~  
 25 ~~equal to one hundred dollars (\$100), the fire department~~

1 ~~relief association shall receive such an additional amount~~  
 2 ~~from the total taxes on premiums collected from insurers~~  
 3 ~~authorized to effect insurance against of the risks~~  
 4 ~~enumerated in subsection (6) of this section as may be~~  
 5 ~~necessary to make the total amount received by said the fire~~  
 6 ~~department relief association equal to the sum of one~~  
 7 ~~hundred dollars (\$100).~~

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

10 ~~(a) Insurance insurance of houses, buildings, and all~~  
 11 ~~other kinds of property and goods against loss or damage by~~  
 12 ~~fire or other casualty; and all kinds of insurance on~~  
 13 ~~goods, merchandise, or other property in the course of~~  
 14 ~~transportation, whether on land or water or air;~~

15 ~~(b) Insurance against loss or damage to motor vehicles~~  
 16 ~~resulting from accident, collision, or marine and inland~~  
 17 ~~navigation and transportation perils;~~

18 ~~(c) Insurance of growing crops against loss or damage~~  
 19 ~~resulting from hail or the elements;~~

20 ~~(d) Insurance against loss or damage by water to any~~  
 21 ~~goods or premises arising from the breakage or leakage of~~  
 22 ~~sprinklers, pumps, or other apparatus;~~

23 ~~(e) and insurance against loss or legal liability for~~  
 24 ~~loss because of damage to property caused by the use of~~  
 25 ~~teams or vehicles; and whether by accident or collision or~~

1 ~~by explosion of any engine or tank or boiler or pipe or tire~~  
 2 ~~of any vehicle; and also including~~

3 ~~(f) insurance against theft of the whole or any part~~  
 4 ~~of any vehicle."~~

5 SECTION 11-1919, R.C.M. 1947, AS AMENDED BY SECTION  
 6 6 CHAPTER 157, LAWS OF 1977 IS AMENDED TO READ  
 7 AS FOLLOWS:

8 "11-1919. State auditor to pay association out of  
 9 insurance premium taxes. (1) At the end of the fiscal year,  
 10 the state auditor shall issue and deliver the payment  
 11 described in this subsection to the treasurer of every city  
 12 or town of the first and second class which has a fire  
 13 department relief association entitled by law to receive  
 14 payments. The payment shall be for the use and benefit of  
 15 the association. It shall be paid out of the premium taxes  
 16 on insurance risks enumerated in subsection (6) collected by  
 17 the state auditor and shall be equal to 10% of the total  
 18 annual compensation paid by the city or town to its paid or  
 19 part-paid firemen for services in the previous calendar  
 20 year. The city clerk of the city or town shall certify in  
 21 writing to the state auditor, on or before April 1 of each  
 22 year, the amount paid by the city or town as compensation  
 23 for services to paid or part-paid firemen.

24 (2) When there is a disaster resulting in death or  
 25 injury sufficient to draw the pensions of 10% of the active

1 force and the fund, after receiving all moneys provided for  
 2 in 11-1911, 11-1912, and subsection (1) of this section, does  
 3 not show at least the 1-mill growth referred to in 11-1912,  
 4 the treasurer of the association shall request and the state  
 5 auditor shall issue and deliver an additional payment under  
 6 the same conditions described in subsection (1). The  
 7 payment shall be in an amount sufficient to cause at least  
 8 the above-mentioned 1-mill growth in the fund.

9 (3) If a city is not entitled to receive a sum equal  
 10 to ~~45/100 of a mill~~ 1 1/2 mills of its total assessed  
 11 valuation taxable value under subsections (1) and (2), the  
 12 association of the city shall receive its money in the  
 13 manner provided in subsections (4) and (5) for cities of the  
 14 third class.

15 (4) At the end of the fiscal year, the state auditor  
 16 shall issue and deliver the warrant described in this  
 17 subsection to the treasurer of every city or town, except  
 18 cities and towns of the first or second class, which has a  
 19 fire department relief association entitled by law to  
 20 receive payments. The warrant shall be for the use and  
 21 benefit of the association. It shall be for an amount equal  
 22 to ~~45/100 of a mill~~ 1 1/2 mills of the total assessed  
 23 valuation taxable value of the city or town and shall be  
 24 paid out of the premium taxes on insurance risks enumerated  
 25 in subsection (6) collected by the state auditor.

1 (5) If the payment provided for in subsection (4) is  
 2 less than \$100, the association shall receive an additional  
 3 payment from the same tax moneys so that the total amount  
 4 received is \$100.

5 (6) The risks referred to in subsections (1) and (4)  
 6 are:

7 (a) insurance of houses, buildings, and all other  
 8 kinds of property against loss or damage by fire or other  
 9 casualty;

10 (b) all kinds of insurance on goods, merchandise, or  
 11 other property in the course of transportation, whether by  
 12 land, water, or air;

13 (c) insurance against loss or damage to motor  
 14 vehicles resulting from accident, collision, or marine and  
 15 inland navigation and transportation perils;

16 (d) insurance of growing crops against loss or damage  
 17 resulting from hail or the elements;

18 (e) insurance against loss or damage by water to any  
 19 goods or premises arising from the breakage or leakage of  
 20 sprinklers, pumps, or other apparatus;

21 (f) insurance against loss or legal liability for  
 22 loss because of damage to property caused by the use of  
 23 teams or vehicles, whether by accident or collision or by  
 24 explosion of any engine, tank, boiler, pipe, or tire of any  
 25 vehicle; and

1 (g) insurance against theft of the whole or any part  
2 of any vehicle."

3 Section 28. Section 11-2201, R.C.M. 1947, is amended  
4 to read as follows:

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

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

- 21 ~~(1)(a)~~ Establish ~~establish~~ pedestrian malls;<sub>i</sub>
- 22 ~~(2)(b)~~ Prohibit ~~prohibit~~, in whole or in part,  
23 vehicular traffic on a pedestrian mall;<sub>i</sub>
- 24 ~~(3)(c)~~ Pay ~~pay~~, from general funds of the municipality  
25 or other available moneys or from the proceeds of

1 assessments levied on lands benefited by the establishment  
2 of a pedestrian mall, the damages, if any, allowed or  
3 awarded to any property owner by reason of the establishment  
4 of a pedestrian mall;<sub>2</sub> ~~provided that the~~ The resolution of  
5 intention ~~contains~~ must contain a statement that an  
6 assessment will be levied to pay the whole or a stated  
7 portion of such damages, if any, allowed or awarded to any  
8 property owner by reason of the establishment of such  
9 pedestrian mall;<sub>i</sub>

10 ~~(4)(d)~~ Construct ~~construct~~ improvements on public  
11 streets which ~~that~~ have been or will be established as a  
12 pedestrian mall;<sub>1</sub> ~~improvements of any kind or nature~~  
13 ~~necessary or convenient to the operation of such streets as~~  
14 ~~a pedestrian mall~~, including but not limited to paving,  
15 sidewalks, curbs, sewers, covered walkways or areas, air  
16 conditioning, drainage works, street lighting facilities,  
17 fire protection facilities, flood protection facilities,  
18 water distribution facilities, vehicular parking areas,  
19 retaining walls, landscaping, tree planting, statuary,  
20 fountains, decorative structures, benches, rest rooms, child  
21 care facilities, display facilities, information booths,  
22 public assembly facilities, and other structures, works;<sub>2</sub> or  
23 improvements necessary or convenient to serve members of the  
24 public using such pedestrian mall;<sub>2</sub> including the  
25 reconstruction or relocation of existing municipally owned



1 works, improvements, or facilities on such streets. Such ~~the~~  
 2 improvements or structures may be attached to abutting  
 3 private buildings or structures, provided that such ~~the~~  
 4 improvements or structures ~~shall be~~ are located on public  
 5 property.

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

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

18 ~~(c)(5)~~ If a petition for the formation of an  
 19 improvement district under the provisions of this section is  
 20 presented to the governing body purporting to be signed by  
 21 all of the real property owners in the proposed district,  
 22 exclusive of mortgagees and other lien holders, the  
 23 governing body, after verifying such ownership and making a  
 24 finding of ~~such the~~ fact, shall adopt a resolution of  
 25 intention to order the improvement ~~pursuant to the~~

1 ~~provisions of section as provided in~~ 11-2204, and shall have  
 2 immediate jurisdiction to adopt the resolution ordering the  
 3 improvement pursuant to the following provisions, without  
 4 the necessity of the publication and posting of the  
 5 resolution of intention provided for in ~~section~~ 11-2204.

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

23 ~~(e)(7)~~ An improvement district formed for the purposes  
 24 of establishing a pedestrian mall or off-street parking may  
 25 be financed in accordance with the provisions of ~~section~~

1 11-2214~~y~~-R~~e~~-C~~o~~-M~~o~~-1947~~y~~ and/or in accordance with the  
2 methods of financing set forth for the construction of water  
3 or sewer systems as set forth in section 11-2218~~y~~-R~~e~~-C~~o~~-M~~o~~-  
4 1947.

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

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

23 Section 29. Section 11-2205, R.C.M. 1947, is amended  
24 to read as follows:

25 "11-2205. Assessment of extended district including

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

18 Section 30. Section 11-2303, R.C.M. 1947, is amended  
19 to read as follows:

20 "11-2303. Limitation on amount of indebtedness. No  
21 city or town ~~shall may~~ issue bonds for any purpose in an  
22 amount which, with all outstanding and unpaid indebtedness,  
23 will exceed ~~five-per-centum-(5%)~~ 10% of the assessed taxable  
24 value of the ~~taxable~~ property therein subject to taxation,  
25 to be ascertained by the last assessment for state and

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

23 Section 31. Section 11-3921, R.C.M. 1947, is amended  
 24 to read as follows:

25 "11-3921. Allocation of taxes. (1) Any urban renewal

1 plan, as defined in section 11-3901, may contain a provision  
 2 or be amended to contain a provision providing that taxes  
 3 levied on taxable property in an urban renewal area each  
 4 year by or for the benefit of the state, any city, county,  
 5 or other political subdivisions for which taxes are levied  
 6 ~~(hereafter referred to as taxing bodies)~~ shall be allocated  
 7 after the effective date of such provision as provided in  
 8 subsections (3) and (4) of this section.

9 (2) For the purposes of this section:

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

19 (b) the word "taxes" includes, but is not limited to,  
 20 all levies on an ad valorem basis upon land or real  
 21 property;

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

24 (3) The portion of taxes produced by levies for a  
 25 taxing body upon the total sum of the prior assessed taxable

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

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

1 (5) The portion of taxes allocated in subsection (4)  
 2 above, and the special fund into which they are paid, may be  
 3 pledged by a municipality for the payment of the principal  
 4 and interest on bonds issued under the authority of ~~section~~  
 5 11-3910, or bonded indebtedness, incurred by a municipality  
 6 to refinance in whole or in part, the urban renewal project.  
 7 Prior to the sale of any bonds, there shall be ~~to~~ an  
 8 election under ~~sections~~ 11-2308 and 11-2309 approving such  
 9 sale, or ~~(b)~~ a petition for the sale signed by the owners of  
 10 record of at least ~~fifty-one percent~~ {51%} of the land  
 11 within the urban renewal district.

12 (6) After all bonds and interest have been paid, all  
 13 ~~monies~~ monies received from taxes upon property within the  
 14 urban renewal area shall be allocated as taxes on all other  
 15 property."

16 Section 32. Section 11-4111, R.C.M. 1947, is amended  
 17 to read as follows:

18 "11-4111. Levy authorized -- uses -- restrictions. (1)  
 19 Upon an affirmative vote of a majority of the qualified  
 20 voters voting in a city, county, or town on the question of  
 21 whether the governing body may levy a tax for economic  
 22 development, the governing body of that city, county, or  
 23 town is authorized to levy in any one election up to one  
 24 ~~(1)~~ mill upon the ~~assessed~~ taxable value of all the ~~taxable~~  
 25 property in the county, city, or town subject to taxation

1 for the purpose of economic development, for a period not to  
 2 exceed ~~five (5) years~~ ~~by any one election~~.

3 (2) Funds derived from this levy may be used for  
 4 purchasing land for industrial parks, constructing buildings  
 5 to house manufacturing and processing operations, conducting  
 6 preliminary feasibility studies, promoting economic  
 7 development opportunities in a particular area, and other  
 8 activities generally associated with economic development.  
 9 These funds may not be used to directly assist an industry's  
 10 operations by loan or grant ~~nor or~~ to pay the salary or  
 11 salary supplements of government employees.

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

17 Section 33. Section 14-307, R.C.M. 1947, is amended to  
 18 read as follows:

19 "14-307. Lien of corporate indebtedness upon  
 20 membership lands. ~~From and after~~ After the date of the  
 21 inclusion of any land or property as a member ~~thereof~~ in any  
 22 corporation or district organized under the provisions  
 23 hereof of this section, all mortgage or bonded indebtedness  
 24 ~~thereafter~~ created by such corporation or district ~~shall~~  
 25 ~~be deemed~~ is a first lien upon ~~such the~~ membership lands, to

1 ~~the an~~ extent of not to exceed ~~five per cent~~ 10% of the  
 2 ~~assessed valuation~~ taxable value thereof if the ~~same shall~~  
 3 ~~be land is~~ grazing or agricultural, and not to exceed ~~ten~~  
 4 ~~per cent~~ 30% of the ~~assessed valuation~~ taxable value thereof  
 5 if the ~~same shall be~~ land is horticultural or  
 6 vegetable-producing lands. The recording of the copy of the  
 7 articles of incorporation or petition to become a member of  
 8 such corporation or district ~~shall be~~ is notice to all  
 9 subsequent lien claimants that ~~such the~~ lands are subject to  
 10 a first lien of not to exceed the amount specified herein  
 11 ~~provided. However,~~ nothing herein ~~shall in this section may~~  
 12 be construed as placing a limit upon the indebtedness that  
 13 may be made a lien against any of the corporate or property  
 14 assets of the corporation or district, as distinguished  
 15 from membership lands individually owned ~~and included~~  
 16 ~~therein for the purposes hereof."~~

17 Section 34. Section 16-502, R.C.M. 1947, is amended to  
 18 read as follows:

19 "16-502. Basis of taxation upon creation of new county  
 20 -- terms used in law defined. For the purposes of this act,  
 21 the assessed valuation of all property, whether included  
 22 within the boundaries of a proposed new county or remaining  
 23 within the boundaries of any existing county or counties  
 24 from which territory is taken, shall be fixed and determined  
 25 on the same basis as is used for the imposition of taxes in

1 the state of Montana ~~to-wit: By taking that percentage of~~  
 2 ~~the true and full value of all taxable property in any~~  
 3 ~~county specified by section 84-302.~~

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

9 Section 35. Section 16-807, R.C.M. 1947, is amended to  
 10 read as follows:

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

25 Section 36. Section 16-808, R.C.M. 1947, is amended to

1 read as follows:

2 "16-808. Counties indebted beyond constitutional limit  
 3 may operate on cash basis. ~~That in~~ In case the total  
 4 indebtedness of a county, lawful when incurred, ~~by reason of~~  
 5 ~~great diminution of assessed value~~ exceeds the limit of five  
 6 ~~per centum (5%) 18%~~ by reason of great diminution of  
 7 taxable value, ~~it shall be lawful for said the~~ county and ~~it~~  
 8 ~~is hereby authorized and empowered to thereafter manage and~~  
 9 ~~may~~ conduct its business affairs on a cash basis and pay the  
 10 reasonable and necessary current expenses of ~~said the~~ county  
 11 out of the cash in the county treasury and derived from its  
 12 current revenues and under such restrictions and regulations  
 13 as may be imposed by the board of county commissioners of  
 14 ~~said the~~ county by a resolution duly adopted and ~~spread upon~~  
 15 included in the minutes of ~~said the~~ board, ~~provided~~  
 16 ~~however that nothing herein shall restrict~~ Nothing in this  
 17 section restricts the right of ~~said the~~ board to make the  
 18 necessary tax levies for interest and sinking fund purposes,  
 19 and ~~provided further that nothing herein shall affect in~~  
 20 this section affects the right of any creditor of ~~said the~~  
 21 county to pursue any remedy now given him by law to obtain  
 22 payment of his claim."

23 Section 37. Section 16-1152, R.C.M. 1947, is amended  
 24 to read as follows:

25 "16-1152. Tax levy for payment of warrants. The board

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

17 Section 38. Section 16-1412, R.C.M. 1947, is amended  
 18 to read as follows:

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

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

1 district, and ~~shall~~ give such approval or suggest such  
2 amendments or modifications as ~~to them may seem~~ they think  
3 proper and desirable.

4 (2) If the county commissioners ~~shall~~ fail to hold  
5 such ~~the~~ joint meeting, or ~~shall~~ fail to take any action,  
6 then the budget, certified by the secretary of the fair  
7 district shall be, without further action, ~~deemed~~ approved,  
8 and the sums of money apportioned to the county shall be the  
9 sums to be raised by special levy for ~~said this~~ purpose. For  
10 the purpose of raising the ~~aforsaid~~ revenues, the board of  
11 county commissioners of each county in the district shall  
12 annually make a levy to raise the required sum apportioned  
13 to the respective counties, ~~provided however that~~ However,  
14 the ~~said~~ levy shall not exceed ~~one-1}~~ mill on the dollar of  
15 the ~~assessed-valuation~~ taxable value of all the taxable  
16 property in the county, ~~except in the case of the county in~~  
17 which the fair is being conducted, ~~in which~~ In this county,  
18 the levy shall not exceed ~~one and one-half-1 1/2}~~ mills on  
19 the dollar of taxable property in the county, ~~in~~ In  
20 addition ~~thereto~~ to this levy, any and all moneys available  
21 ~~to for~~ the holding of county fairs may be allotted and  
22 transferred to the use of the district fair as the  
23 respective county fair commissioners may elect, ~~the~~ The  
24 funds available to a district fair shall, on the first  
25 Monday in August or as soon thereafter as may be possible,

1 be deposited with the county treasurer of the county in  
2 which the district fair is to be held and ~~by him and~~  
3 credited to a fund to be known as the district fair fund,  
4 held and paid out in the same manner as the county fair  
5 fund, except that it shall be paid out on district fair  
6 board warrants signed by the chairman or the vice-chairman  
7 and the secretary of the district fair board, ~~provided that~~  
8 ~~the~~ The treasurer of the county in which the district fair  
9 ~~shall will~~ be held shall carry the moneys received from the  
10 various counties in the district in the regular county fair  
11 fund in the same manner as regular county fair moneys,  
12 payable, however, only on district fair warrants."

13 Section 39. Section 16-2010.1, R.C.M. 1947, is amended  
14 to read as follows:

15 "16-2010.1. Limit on city-county consolidated  
16 indebtedness. No city-county consolidated local government  
17 may issue bonds for any purpose which, with all outstanding  
18 indebtedness, ~~will may~~ exceed ~~seven and one-half percent-1 1/2}~~  
19 ~~1/2}~~ 2% of the assessed taxable value of the taxable  
20 property therein subject to taxation, to be ~~as~~ ascertained  
21 by the last assessment for state and county taxes, ~~provided however that~~ However,  
22 for the purpose of  
23 constructing a sewerage system or procuring a water supply  
24 or constructing or acquiring a water system for a  
25 city-county consolidated government, which shall own and



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

19 Section 40. Section 16-4020, R.C.M. 1947, is amended  
 20 to read as follows:

21 "16-4020. Disposal of property -- leasing -- sale. (1)  
 22 Each county to which any part of an abandoned and abolished  
 23 county is attached ~~and made a part and becoming~~ becomes the  
 24 owner under the provisions of this act of the real and any  
 25 tangible personal property of ~~an~~ the abandoned and abolished

1 county and may use all of ~~such this~~ property for county  
 2 purposes, or may lease any of ~~such this~~ real estate, or ~~may~~  
 3 sell any of ~~such the~~ real estate or personal property.

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

17 ~~(2)(3) No such~~ real property ~~shall may~~ be leased  
 18 unless the board of county commissioners ~~shall present~~  
 19 presents to the judge of the district court to which the  
 20 county is attached a petition describing the real estate,  
 21 with any improvements thereon, and setting forth the terms  
 22 of the proposed lease, ~~and the same~~ The petition shall be  
 23 approved by ~~such the~~ judge, ~~which approval shall be endorsed~~  
 24 ~~on such petition~~ and filed in the office of the clerk of  
 25 ~~said the~~ county.

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

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

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

15       ~~(5)(6)~~ The compensation of all appraisers appointed  
 16 under the provisions of this section shall be fixed by the  
 17 district judge appointing the same. Moneys received from  
 18 leases or sales of real or personal property by any county  
 19 other than the county designated in the petition for  
 20 abandonment as the county to which the territory of the  
 21 abandoned county is to be allocated shall be transmitted by  
 22 the officers of such counties to the treasurer of the county  
 23 designated in such petition for abandonment.

24       ~~(6)(7)~~ All moneys received from the sales of personal  
 25 property and from the leasing or sales of real estate, after

1 deducting therefrom the amounts paid appraisers and for  
2 publishing notices of sale, shall be used and applied as  
3 follows:

4 If there are any warrants issued and outstanding  
5 against any of the funds of the abandoned and abolished  
6 county, such moneys shall be applied in payment of such  
7 warrants and interest;

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

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

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

1 ~~shall be~~ deposited in ~~such the~~ funds of ~~such each~~ county as  
2 the boards of county commissioners of ~~such the~~ counties may  
3 direct."

4 Section 41. Section 32-3107, R.C.M. 1947, is amended  
5 to read as follows:

6 "32-3107. Report of county road superintendent --  
7 order creating district. (1) At the next annual meeting of  
8 the board after the road superintendent has completed  
9 surveying the road and making estimates, he shall make a  
10 detailed report. ~~(a)~~ The report shall state that the maps,  
11 descriptions, plans, specifications, and details and  
12 estimates of damages, costs, and expenses have been  
13 completed.

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

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

25 Section 42. Section 46-1914, R.C.M. 1947, is amended

1 to read as follows:

2 "46-1914. Levy of tax for purpose of paying for  
 3 destruction of wild animals -- limitation on levy. The  
 4 department of revenue shall annually prescribe the levy  
 5 recommended by the department to be made against livestock  
 6 of all classes for paying for the destruction of wild  
 7 animals killed in this state. The tax in any one year may  
 8 not exceed ~~one and one-half (1-1/2) %~~ 1.5 mills on the  
 9 ~~assessed valuation~~ taxable value of the livestock. The money  
 10 received shall be used only for the payment of claims for  
 11 the destruction of wild animals and for the administration  
 12 of this act, approved by the department. The money received  
 13 for the taxes levied shall be sent annually with other taxes  
 14 ~~for state purposes~~ to the state treasurer by the county  
 15 treasurer of each county, ~~and when~~ when the money is  
 16 received by the state treasurer, it shall be placed in the  
 17 earmarked revenue fund, and ~~the money~~ may then be paid out  
 18 on claims approved under the law governing the payment of  
 19 claims."

20 Section 43. Section 53-114, R.C.M. 1947, is amended to  
 21 read as follows:

22 "53-114. Application for registration of motor  
 23 vehicles and payment of license fees thereon -- assessment  
 24 of motor vehicles in the stock of licensed motor vehicle  
 25 dealers as merchandise. (1) Every owner of a motor vehicle

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

9 (a) Name name and address of owner, giving county,  
 10 school district, and town or city within whose corporate  
 11 limits the motor vehicle is taxable; and

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

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

20 (d) ~~in~~ in case of reregistration, the license number  
 21 for the preceding year; and

22 (e) ~~such~~ such other information as the registrar of  
 23 motor vehicles may require.

24 (2) ~~Whoever~~ A person who files an application for  
 25 registration or reregistration of a motor vehicle, except of

1 a mobile home as defined in section 84-101, ~~R6C-MV-1947~~  
 2 shall before filing such application with the county  
 3 treasurer submit the same to the county assessor of ~~said the~~  
 4 county, ~~and said the~~ county assessor shall enter on ~~said the~~  
 5 application in a space to be provided for that purpose, the  
 6 ~~full and true and the assessed valuation~~ market value AND  
 7 TAXABLE VALUE of ~~said the~~ vehicle for the year for which  
 8 ~~said the~~ application for registration is made.

9 (3) Whoever A person who files an application for  
 10 registration or reregistration of a motor vehicle, except of  
 11 a mobile home as defined in section 84-101, ~~R6C-MV-1947~~  
 12 shall upon the filing of ~~said the~~ application ~~(1)~~ pay to the  
 13 county treasurer the registration fee, as provided in  
 14 section 53-122 and section 53-115, and ~~shall also at such~~  
 15 ~~time (2)~~ pay the personal property taxes assessed or the new  
 16 motor vehicle sales tax against ~~said the~~ vehicle for the  
 17 current year of registration, ~~(unless the same shall have~~  
 18 ~~been theretofore paid for said the year)~~, before the  
 19 application for registration or reregistration may be  
 20 accepted by the county treasurer. The county treasurer ~~is~~  
 21 ~~hereby empowered to may~~ make full and complete investigation  
 22 of the tax status of ~~said the~~ vehicle, ~~and any Any~~ applicant  
 23 for registration or reregistration must submit proof ~~with~~  
 24 ~~respect thereto~~ from the tax records of the proper county at  
 25 the request of the county treasurer.

1 (4) The amount of taxes on ~~said the~~ motor vehicle,  
 2 except a mobile home as defined in section 84-101, ~~R6C-MV~~  
 3 ~~1947 shall be~~ is computed and determined by the county  
 4 treasurer on the basis of the levy of the year preceding the  
 5 current year of application for registration or  
 6 reregistration, ~~and such the~~ determination ~~shall be~~ is  
 7 entered on the application form in a space provided  
 8 therefor.

9 (5) Motor vehicles, except mobile homes as defined in  
 10 section 84-101, ~~R6C-MV-1947~~, are ~~hereby declared to be~~  
 11 ~~assessable assessed~~ for taxation ~~as of and taxes~~ on the  
 12 ~~first day of~~ January 1 in each year irrespective of the time  
 13 fixed by law for the assessment of other classes of personal  
 14 property, and irrespective of whether ~~or not~~ the levy and  
 15 tax may be a lien upon real property within the state of  
 16 Montana, ~~provided that in no event shall may~~ any motor  
 17 vehicle be subject to assessment, levy, and taxation more  
 18 than once in each year.

19 (6) The applicant for original registration of any  
 20 wholly new and unused motor vehicle, except a mobile home as  
 21 defined in section 84-101, ~~R6C-MV-1947~~, acquired by  
 22 original contract after ~~the first day of~~ January 1 of any  
 23 year shall be required, whenever such vehicle has not been  
 24 otherwise assessed, to pay the motor vehicle sales tax  
 25 provided by section 32-3315, ~~R6C-MV-1947~~, irrespective of

1 whether ~~or not such~~ the vehicle was in the state of Montana  
 2 on ~~the first day of~~ January 1 of such the year.

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

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

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

23 Section 44. Section 53-1025, R.C.M. 1947, is amended  
 24 to read as follows:

25 "53-1025. Display of tax-paid decals on snowmobiles

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

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

- 13 (a) name of owner; i
- 14 (b) address; i
- 15 (c) registration number; i
- 16 (d) name of manufacturer; i
- 17 (e) model number; i
- 18 (f) make; i
- 19 (g) horsepower; i
- 20 (h) year of manufacture; i
- 21 (i) statement evidencing assessment and payment of  
 22 property tax; i and

23 (j) such other information as the registrar of motor  
 24 vehicles may require.

25 (3) ~~Said~~ The application shall be signed by the county

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

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

21 ~~(c)(5)~~ The applicant shall pay the county treasurer  
 22 the application fee and ~~shall also pay~~ the personal property  
 23 taxes assessed against the snowmobile for the current year  
 24 before the application for registration or reregistration  
 25 may be accepted by the county treasurer."

1 Section 45. Section 69-3504, R.C.M. 1947, is amended  
 2 to read as follows:

3 "69-3504. Identification number. ~~(a)(1)~~ The owner of  
 4 each motorboat requiring numbering by this state shall file  
 5 an application for number in the office of the county  
 6 treasurer ~~wherein where~~ the motorboat or vessel is owned or  
 7 taxable on forms prepared and furnished by the registrar of  
 8 motor vehicles. The application shall be signed by the owner  
 9 of the motorboat and shall be accompanied by a fee of ~~one~~  
 10 ~~(\$1)-dollar~~. Any alteration, change, or false statement  
 11 contained in the application for certificate of registration  
 12 will render the certificate of number null and void. Upon  
 13 receipt of the application in approved form, the county  
 14 treasurer shall issue to the applicant a certificate of  
 15 number prepared and furnished by the registrar of motor  
 16 vehicles, stating the number awarded to the motorboat and  
 17 the name and address of the owner. The number awarded must  
 18 be painted on or attached to each outboard side of the  
 19 forward half of the motorboat, or, if there are no such  
 20 sides, at a corresponding location on both outboard sides of  
 21 the foredeck of the motorboat ~~for which it is issued~~. The  
 22 number awarded shall read from left to right, in Arabic  
 23 numerals, in block characters of good proportion, ~~a minimum~~  
 24 ~~of at least three-(3) inches in height tall~~, excluding  
 25 border or trim, and of a color ~~which shall contrast that~~

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

21 (b)(2) Before filing ~~such~~ the application with the  
 22 county treasurer, the applicant shall submit ~~the same~~ it to  
 23 the county assessor of ~~said~~ the county and ~~said~~ the county  
 24 assessor shall enter on ~~said~~ the application in a space to  
 25 be provided for that purpose, the ~~full and true and assessed~~

1 ~~valuation~~ market value AND TAXABLE VALUE of ~~said~~ the vehicle  
 2 for the year for which ~~said~~ the application for registration  
 3 is made.

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

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

13 (1) (4) A dealer or manufacturer may apply directly to  
 14 the registrar of motor vehicles for one (1) identifying  
 15 number and one (1) or more certificates of number. A  
 16 dealer's or manufacturer's identifying number shall be  
 17 displayed on ~~a dealer's or manufacturer's~~ his boat while the  
 18 boat is operating for a purpose related to the buying,  
 19 selling, or exchanging of the boat by the dealer or  
 20 manufacturer. (2) The application for a dealer's or  
 21 manufacturer's identifying number shall include ~~the~~ his name  
 22 ~~of the dealer or manufacturer~~ and the business address of  
 23 ~~the dealer or manufacturer~~. Each dealer or manufacturer  
 24 ~~shall~~ will have one (1) identifying number assigned to his  
 25 business. (3) An application for dealer's or manufacturer's



1 identifying number and certificate of number ~~shall~~ must be  
2 accompanied by the following fees:

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

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

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

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

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

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

24 ~~(g)~~(8) If an agency of the United States government  
25 has in force ~~an-over-att~~ a comprehensive system of

1 identification numbering for motorboats in the United  
 2 States, the numbering system employed pursuant to this act  
 3 by the registrar of motor vehicles shall be in conformity  
 4 therewith.

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

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

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

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

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

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

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

25 ~~(n)(15)~~ An owner of a motorboat must within reasonable

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

7 Section 46. Section 75-7104, R.C.M. 1947, is amended  
 8 to read as follows:

9 "75-7104. Limitations on amount of bond issue. (1) The  
 10 maximum amount for which each school district ~~shall~~ ~~may~~  
 11 become indebted by the issuance of bonds, including all  
 12 indebtedness represented by outstanding bonds of previous  
 13 issues and registered warrants, is ~~eight percent (8%)~~ 29% of  
 14 the assessed taxable value of the taxable property therein  
 15 subject to taxation as ascertained by the last completed  
 16 assessment for state, county, and school taxes previous to  
 17 the incurring of such indebtedness. The ~~eight percent (8%)~~  
 18 29% maximum, however, ~~shall~~ ~~may~~ not pertain to indebtedness  
 19 imposed by special improvement district obligations or  
 20 assessments against the school district. All bonds issued  
 21 in excess of such amount shall be null and void, except as  
 22 provided in ~~subsection (2) this section.~~

23 (2) When the total indebtedness of a school district  
 24 has reached the ~~eight percent (8%)~~ 29% limitation prescribed  
 25 in this section, ~~such the~~ school district ~~shall have the~~

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

10 (2)(3) In the case of a school district within which a  
 11 new major industrial facility which seeks to qualify for  
 12 taxation as class ~~seven (7)~~ EIGHTEEN property under ~~section~~  
 13 ~~84-301, R.C.M. 1947, 84-301.8 84-301.19~~ is being constructed  
 14 or is about to be constructed, the school district may  
 15 require, as a precondition of the new major industrial  
 16 facility qualifying as class ~~seven (7)~~ EIGHTEEN property,  
 17 that the owners of the proposed industrial facility enter  
 18 into an agreement with the school district concerning the  
 19 issuing of bonds in excess of the ~~eight--percent--(8%)~~ 29%  
 20 limitation prescribed in ~~subsection one (1) this section.~~  
 21 Under such an agreement, the school district ~~may,~~ with the  
 22 approval of the voters, issue bonds which exceed the  
 23 limitation prescribed in ~~subsection one (1) this section~~ by  
 24 a maximum of ~~eight--percent--(8%)~~ 29% of the estimated  
 25 assessed taxable value of the taxable property of the new

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

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

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

14 Section 47. Section 75-8104, R.C.M. 1947, is amended  
 15 to read as follows:

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

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

25 (2) The ~~assessed valuation~~ taxable value of the

1 proposed area is at least ~~thirty-million-dollars~~  
2 ~~(\$30,000,000)~~ \$10 million.

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

6 Section 48. Section 84-101, R.C.M. 1947, is amended to  
7 read as follows:

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

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

21 ~~Second-- (2)~~ The term "real estate" includes:

22 ~~1=(a)~~ 1=(a) ~~the the~~ possession of, claim to, ownership of,  
23 or right to the possession of land;

24 ~~2=(b)~~ 2=(b) ~~all~~ all mines, minerals, and quarries in and  
25 under the land, subject to the provisions of section

1 84-5401; all timber belonging to individuals or  
2 corporations growing or being on the lands of the United  
3 States; and all right rights and privileges appertaining  
4 thereto.

5 ~~3--Improvements~~

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

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

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

1 Sixth--(5) The term "credit" means those solvent  
2 debts, secured or unsecured, owing to a person.

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

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

10 (8) The term "taxable value" means the percentage of  
11 assessed value as provided for in 84-301.2 through 84-301.15  
12 and 84-308 84-301.19."

13 Section 49. Section 84-402, R.C.M. 1947, is amended to  
14 read as follows:

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

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

11 (3)(2) The department of revenue shall have full  
12 charge of appraising assessing all property subject to  
13 taxation and equalizing values and shall secure such  
14 personnel as is necessary to properly perform their its  
15 duties.

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

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

1 for, the department shall pay the cost thereof. Additional  
 2 personal property required by the department for the  
 3 assessor to perform his duties as agent of the department  
 4 shall be provided by the department."

5 Section 50. Section 84-404, R.C.M. 1947, is amended to  
 6 read as follows:

7 "84-404. ~~State--department~~ Department of revenue to  
 8 assign percentage basis ~~==~~ when. The percentage basis of  
 9 ~~true and full~~ assessed value as provided for in section  
 10 ~~84-302, shall be 84-301.2 through 84-301.15 and 84-300~~  
 11 ~~84-301.19~~ is determined and assigned by the state department  
 12 of revenue ~~or its agent~~ when it makes its annual assessment  
 13 of the property, ~~which it is~~ WHICH IT IS required to assess  
 14 TO ASSESS CENTRALLY under the laws of this state, and ~~The~~  
 15 department shall transmit such determination and assignment  
 16 to the various county clerks with the assessments so made,  
 17 and its determination ~~shall be~~ is final except as to the  
 18 right of review in the proper court."

19 Section 51. Section 84-406, R.C.M. 1947, is amended to  
 20 read as follows:

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

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

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

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

18 (b) livestock livestock which are required by  
 19 ~~subdivision (3)~~ subsection (6) of this section to be  
 20 assessed on an average inventory basis in each county, i  
 21 ~~credits must be assessed as provided in section 84-101,~~  
 22 subdivision 6v

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

1 application is made for a special mobile equipment plate;

2 (d) ~~Mobile~~ mobile homes held by a distributor or

3 dealer of mobile homes as a part of his stock in trade; and

4 ~~(e) Campers which are required by subdivision 4 hereof~~

5 ~~to be assessed as of the first day of January;~~

6 ~~(f)(e) Snowmobiles which snowmobiles that~~ are required

7 by ~~subdivision 5 hereof~~ subsection (8) to be assessed as of

8 ~~the first day of July 1.~~

9 (3) Credits must be assessed as provided in 84-101;

10 subsection (5).

11 ~~(2)(4)~~ The department or its agent must ascertain and

12 assess all motor vehicles, except mobile homes, in each

13 county subject to taxation as of January 1, or as of the

14 anniversary registration date of those vehicles subject to

15 sections 53-154 through 53-162, in each year, and the same

16 The motor vehicles shall be assessed to the persons by whom

17 owned or claimed, or in whose possession or control such

18 ~~vehicle was they were~~ at 12 midnight of ~~the first day of~~

19 January 1, or the anniversary registration date thereof,

20 whichever is applicable, in each year. ~~Provided that such No~~

21 ~~tax shall not may~~ be assessed against motor vehicles which

22 that constitute inventory of motor vehicle dealers as of

23 January 1, ~~but said these~~ vehicles, and all other motor

24 vehicles brought into the state subsequent to January 1, as

25 motor vehicle dealer's dealers' inventories shall

1 be assessed to their respective purchasers as of the dates

2 ~~said the~~ vehicles are registered by ~~said the~~ purchasers, ~~and~~

3 ~~and purchasers means~~ and "Purchasers" includes dealers who

4 apply for registration or re-registration reregistration of

5 motor vehicles, except as otherwise provided by section

6 32-3315. Goods, wares, and merchandise of motor vehicle

7 dealers, other than new motor vehicles and new mobile homes,

8 shall be assessed at ~~full and true~~ market value as of the

9 first day of January 1.

10 ~~(5) Except that this paragraph shall not apply to an~~

11 ~~applicant for registration or re-registration of a mobile~~

12 ~~home, nothing herein contained shall relieve the~~ The

13 applicant for registration or re-registration reregistration

14 of any other a motor vehicle, other than a mobile home, is

15 not relieved so assessed or subject to assessment of the

16 duty of paying taxes thereon as a condition precedent to

17 registration or re-registration in the event ~~said if the~~

18 taxes have not been paid by any a prior applicant or owner

19 in all cases where taxes were required to be paid.

20 ~~(3)(6)~~ The assessed value of livestock in each county

21 on the assessment date ~~shall be is~~ computed by adding the

22 assessed value of all livestock more than ~~nine (9)~~ months of

23 age owned by the taxpayer in each county on the last day of

24 each month since the last assessment date and dividing the

25 sum by ~~twelve (12)~~. For purposes of this subdivision



1 subsection, "livestock" means cattle, sheep, horses, and  
 2 mules.

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

10 ~~{5}{8}~~ The department of revenue or its agent must  
 11 ~~ascertain--and~~ assess all snowmobiles in each county subject  
 12 to taxation as of July 1 in each year, ~~and--the--same~~ A  
 13 snowmobile shall be assessed to the persons person by whom  
 14 owned or claimed, or in whose possession or control such  
 15 snowmobile ~~it was~~ at 12 midnight ~~on--the--first--day~~ of July 1  
 16 in each year, ~~provided, however, that~~ except snowmobiles  
 17 ~~which constitute in the~~ inventory of snowmobile dealers  
 18 ~~which~~ shall be assessed to the dealers as of 12 midnight of  
 19 ~~the first day of~~ January 1 in each year, ~~and--further~~  
 20 ~~provided--that--all--snowmobiles--that--have--been--assessed--and~~  
 21 ~~for--which--taxes--have--been--paid--for--the--period--of--January--1--~~  
 22 ~~1975--through--December--31, 1975, shall be assessed for only~~  
 23 ~~six--{6}--months--during--the--period--July--1, 1975--through--June~~  
 24 ~~30, 1976."~~

25 Section 52. Section 84-602, R.C.M. 1947, is amended to

1 read as follows:

2 "84-602. Equalization of assessments. ~~The--department~~  
 3 ~~of--revenue--has--power--after~~ After giving notice, in writing,  
 4 to ~~the~~ a taxpayer, by registered or certified mail,  
 5 addressed to him at his last known place of residence, of  
 6 its intention, ~~to the department of revenue~~ may increase or  
 7 lower ~~his~~ the taxpayer's assessment contained in the  
 8 assessment book, ~~so as~~ to equalize the assessment of the  
 9 property ~~contained therein~~ and make the assessment conform  
 10 to the true assessed value of such property ~~in--money~~ as  
 11 defined in 84-401 and 84-398, which the notice shall specify  
 12 ~~the date and hour~~ when he the taxpayer may appear and be  
 13 heard thereon, ~~which date shall~~ at a date and hour not be  
 14 less than ~~five--{5}~~ days from date of mailing ~~such~~ the  
 15 notice, ~~and--immediately~~ immediately after reaching a  
 16 decision, the department shall notify the taxpayer, in  
 17 writing, of ~~such~~ the decision, specifying the change, if  
 18 any, made in the assessment, ~~and~~ the notice ~~to~~ must be  
 19 given by registered or certified mail, ~~and~~ addressed to the  
 20 taxpayer at his last known place of residence. The  
 21 department ~~may~~ also ~~has--power--to~~ raise or lower the  
 22 valuation of all the property in a class by a certain  
 23 percentage, ~~in--the--event--that~~ if any class of property is  
 24 assessed as a class, at more or less ~~than~~ its ~~actual~~  
 25 assessed value as defined by 84-401 by ~~its~~ the department's

1 agent and if the valuation of such property within the  
2 county demands a general reclassification."

3 Section 53. Section 84-708.1, R.C.M. 1947, is amended  
4 to read as follows:

5 "84-708.1. Powers and duties of the state department  
6 of revenue. (1) ~~To the department of revenue shall annually~~  
7 ~~assess the franchise, roadway, roadbeds, rails, and rolling~~  
8 ~~stock, and all other property of all railroads, and the~~  
9 ~~pole lines and rights of way rights of way and all other~~  
10 ~~property of all telegraph and telephone lines, electric~~  
11 ~~power and transmission lines, ditches, canals, and flumes,~~  
12 ~~and other similar property constituting a single and~~  
13 ~~continuous property operated in more than one (1) county in~~  
14 ~~the state, or more than one (1) states, to apportion such the~~  
15 ~~assessments to the counties in which such the properties are~~  
16 ~~located on a mileage basis, or if the property of any~~  
17 ~~company assessable under this section is of such a character~~  
18 ~~that its value cannot reasonably be apportioned on the basis~~  
19 ~~of mileage, the department may adopt such any other method~~  
20 ~~or basis of apportionment to the county or counties in which~~  
21 ~~the property is situated as may be just and proper.~~  
22 CENTRALLY ASSESS THE PROPERTIES DESCRIBED IN 84-7801.

23 (2) ~~And the department may not consider the following~~  
24 ~~property as part of any single or continuous property, lots~~  
25 ~~and parcels of real estate not included in right-of-way~~

1 ~~right of way with the buildings, structures, and~~  
2 ~~improvements thereon, dams and power houses, depots,~~  
3 ~~stations, shops, and other buildings erected upon right of~~  
4 ~~way, right of ways, and furniture, machinery, and other~~  
5 ~~personal property, shall not be considered as a part of any~~  
6 ~~such single and continuous property, but shall be considered~~  
7 ~~as separate and distinct therefrom, and shall be the~~  
8 ~~property is considered separate and distinct and is assessed~~  
9 ~~by the agent of the department of revenue in the county~~  
10 ~~wherein they are situate where it is situated.~~ MAY ADOPT  
11 RULES NECESSARY FOR THE TAXATION OF PROPERTY UNDER CHAPTERS  
12 8, 9, 13, 54, 62, 64, AND 78.

13 (2)(3) ~~To the department shall~~ transmit to the county  
14 clerk of each county its apportionment of all assessments  
15 made by the department.

16 (3)(4) ~~To the department shall~~ adjust and equalize the  
17 valuation of taxable property among the several counties  
18 and the different classes of taxable property in any county  
19 and in the several counties and between individual  
20 taxpayers; supervise and review the acts of agents of the  
21 department; change, increase, or decrease valuations made by  
22 its agents; and exercise such authority and do all things  
23 necessary to secure a fair, just, and equitable valuation of  
24 all taxable property among counties between the different  
25 classes of property and between individual taxpayers.

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

24       ~~{5}(6)~~ To The department may SHALL confer with,  
 25       advise, and direct officers of municipal corporations as to

1       their duties with respect to taxation under the statutes  
 2       of the state.

3       ~~{6}(7)~~ To The department shall MAY direct proceedings,  
 4       actions, and prosecutions to be instituted to enforce the  
 5       laws relating to the penalties, liabilities, and punishment  
 6       of public officials and persons, or their agents, for  
 7       failure or neglect to comply with the provisions of the  
 8       statutes governing the revenue of the state or municipal  
 9       corporations, ~~and to~~ The department shall cause complaints  
 10       to be made against assessors and other public officers to  
 11       the proper district court for their removal from office for  
 12       official misconduct or neglect of duty.

13       ~~{7}(8)~~ To The department shall MAY require county  
 14       attorneys to assist in the commencement and prosecution of  
 15       actions and proceedings for penalties, forfeitures,  
 16       removals, and punishment for violations of the laws of the  
 17       state in respect to the assessment of property and other  
 18       revenue laws, in their respective counties.

19       ~~{8}(9)~~ To The department shall collect annually from  
 20       the proper officers of the municipal corporations  
 21       information ~~as to~~ about the assessment of property,  
 22       collection of taxes, receipts from licenses and other  
 23       sources, the expenditure of public funds for all purposes,  
 24       and such other information as may be needful and helpful in  
 25       the work of the department in such form and upon such blanks

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

8 ~~(9)(10) In~~ The department may, in its discretion, to  
 9 inspect and examine or cause an inspection and examination  
 10 of the records of the officers of any municipality, whenever  
 11 such an officer ~~shall have~~ has failed, neglected, or refused  
 12 to return properly the information required by this section  
 13 within the time set by the department. Upon completion of  
 14 such inspection and examination, the department shall  
 15 transmit to the clerk or other proper official of the  
 16 municipality a statement of the expenses incurred by the  
 17 department to secure the necessary information. Within  
 18 ~~sixty (60)~~ days after the receipt by the municipality of the  
 19 above statement, the same shall be audited, as other claims  
 20 of the municipal corporation are audited and shall be paid  
 21 into the state treasury, ~~and if~~ If the ~~same~~ statement is not  
 22 ~~so paid,~~ the attorney general shall institute an action, in  
 23 the proper court, against the municipality to recover the  
 24 same. The officers responsible for the furnishing of the  
 25 information collected pursuant to this section shall be

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

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

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

22 ~~(12)(13) To~~ The department may cause the deposition of  
 23 witnesses residing within or without the state, or absent  
 24 therefrom, ~~to~~ be taken upon notice to ~~the~~ interested party,  
 25 if any, in like manner that depositions are taken in actions

1 pending in the district court, in any matter which the  
2 department ~~shall have~~ has authority to investigate and  
3 determine.

4 ~~(13)(14) To~~ The department may examine ~~into~~ all cases  
5 where evasion or violation of the laws for taxation of  
6 property, proceeds, occupation, or business is alleged,  
7 complained of, or discovered, and to ascertain wherein  
8 existing laws are ineffective or are improperly or  
9 negligently administered.

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

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

21 ~~(16)(17) To~~ The department shall transmit to the  
22 governor and to each member of the legislature ~~twenty~~ (20)  
23 days before the meeting of the legislature, a report of the  
24 department, showing all the taxable property of the state  
25 and the its value ~~of the same~~ in tabulated form, with

1 recommendations for improvements in the system of taxation  
2 together with such measures as may be formulated for the  
3 consideration of the legislature, ~~and to~~ The department may  
4 include therein a report showing the selling price of  
5 gasoline at the wholesale level in prime market centers of  
6 Montana and in surrounding states during the biennium, with  
7 indexes tabulated at sufficient intervals to show the  
8 comparative state price structures.

9 ~~(17)(18)~~ In its discretion, to the department may waive  
10 the assessment of penalty for the late filing of any tax  
11 statement or return required to be filed with the department  
12 when the filing is done within ~~five~~ (5) days of the date  
13 specified for filing the return or statement, and for the  
14 late payment of any tax collected by the department when the  
15 payment is made within ~~five~~ (5) days of the date specified  
16 for payment of the tax.

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

1 Section 54. Section 84-728, R.C.M. 1947, is amended to  
 2 read as follows:

3 "84-728. Valuation of interstate fleets --  
 4 determination of aggregate tax due. The state department of  
 5 revenue shall assess any interstate motor vehicle fleet  
 6 making application for proportional registration as follows:

7 ~~(e)(1)~~ The purchase price depreciated by a schedule as  
 8 prescribed by the department shall determine the depreciated  
 9 value.

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

13 ~~(e)(3)~~ The sum of the assessed value of all vehicles  
 14 included in the fleet multiplied by twenty ~~(20)~~ per cent ~~22~~  
 15 shall be the taxable value for the entire fleet.

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

20 Section 55. Section 84-4605, R.C.M. 1947, is amended  
 21 to read as follows:

22 "84-4605. Taxation of banks and shares of stock in.  
 23 (1) Every state bank or banking corporation located and  
 24 doing business in this state and every private banker doing  
 25 business in this state shall be ~~taxable~~ ~~taxed~~ upon the

1 value of all real estate and personal property owned by such  
 2 the bank, banking corporation, or private banker, ~~and also~~  
 3 upon the moneyed capital employed in such the business, such  
 4 ~~and upon the~~ AND SUCH moneyed capital to be ascertained as  
 5 provided by section ~~84-301, 84-301.7, 84-301.6,~~ and the the  
 6 cashier or secretary of every such bank or banking  
 7 corporation, and every such private banker, shall furnish to  
 8 the department of revenue or its agent in the county in  
 9 which its or his bank is located, within five 5 days after  
 10 demand therefor, a statement verified by his oath, showing  
 11 all the resources and liabilities of such the bank as  
 12 disclosed by its books, at the close of business on December  
 13 31 of the preceding year, ~~if such~~ ~~if the~~ cashier,  
 14 secretary, or private banker ~~shall fail~~ ~~fails~~ to make the  
 15 statement, hereby ~~required,~~ the department or its agent  
 16 shall forthwith obtain such the information from any other  
 17 available source, and for this purpose shall have access to  
 18 the books of such the bank, banking corporation, or private  
 19 banker. The department or its agent shall thereupon make an  
 20 assessment of the real estate and personal property owned by  
 21 such the bank, banking corporation, or private banker, and  
 22 of the moneyed capital employed in the business of such the  
 23 bank, banking corporation, or private banker, which the  
 24 assessment shall be as fair and equitable as can be made  
 25 from the best information available, ~~or for~~ ~~for~~ the purpose

1 of ~~said~~ ~~the~~ assessment, the figures disclosed by any prior  
 2 report made by ~~such~~ ~~the~~ bank, banking corporation, or  
 3 private banker to any state or federal officer pursuant to  
 4 any state or federal law may be adopted. Any person  
 5 required by this section to make the statement hereinabove  
 6 provided, who ~~shall fail~~ fails to furnish the same, it shall  
 7 be guilty of a misdemeanor and ~~shall~~ be punished  
 8 accordingly.

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

19 (3) The cashier or secretary of any ~~such~~ bank or  
 20 banking corporation shall furnish to the department or its  
 21 agent, upon demand, the name of each stockholder with his  
 22 residence and the number of shares belonging to him at the  
 23 close of business on December 31 of the preceding year, ~~and~~  
 24 ~~if such~~ ~~if~~ ~~the~~ cashier or secretary, for more than five ~~2~~  
 25 days after ~~such~~ ~~the~~ demand, ~~shall fail~~ fails to furnish such

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

23 Section 56. Section 84-4701, R.C.M. 1947, is amended  
 24 to read as follows:

25 "84-4701. Limitation on amount of tax for municipal

1 purposes -- distribution of funds -- levy for ~~park parks,~~  
 2 swimming pools, playgrounds, youth centers, and other  
 3 purposes. The amount of taxes to be ~~assessed-and~~ levied for  
 4 general municipal or administrative purposes in cities and  
 5 towns ~~must~~ may not exceed ~~two-and-four-tenths {2.4%} per~~  
 6 ~~centum-on-the-per-centum~~ 2.4% of the assessed taxable value  
 7 of the taxable property of the city or town, subject to  
 8 ~~taxation, and-the~~ The council or commission in each city or  
 9 town may distribute the money collected into ~~such the~~ funds  
 10 ~~as-are~~ prescribed by ordinance, ~~provided, that-for~~ For the  
 11 purpose of procuring, equipping, and maintaining public  
 12 parks, swimming pools, skating rinks, playgrounds, civic  
 13 centers, youth centers, museums, and combinations thereof,  
 14 the council or commission in any city or town ~~may assess-and~~  
 15 ~~levy,~~ in addition to the ~~said~~ levy for general municipal or  
 16 administrative purposes, an amount not exceeding seven ~~{7}~~  
 17 mills on the dollar on the ~~per-centum-of-the-assessed~~  
 18 taxable value of the ~~taxable property to be taxed~~ of the  
 19 city or town."

20 Section 57. Section 84-4701.2, R.C.M. 1947, is amended  
 21 to read as follows:

22 "84-4701.2. Maximum rate of all-purpose levy.  
 23 ~~Notwithstanding the provisions of the statutes of Montana to~~  
 24 ~~the--contrary~~ {1} Except as provided elsewhere, the cities  
 25 and towns of the state of Montana may make an all-purpose

1 annual levy upon the assessed taxable value of all the  
 2 taxable property in ~~such the~~ cities and towns, subject to  
 3 taxation for municipal purposes in lieu of the multiple  
 4 levies now authorized by statute. The total of ~~such the~~  
 5 all-purpose levy ~~shall~~ may not exceed ~~sixty-five {65}~~ mills  
 6 on the dollar, ~~which~~ this levy ~~shall~~ may not include any  
 7 levies necessary for bonded indebtedness, judgments, or  
 8 special improvement district revolving funds of  
 9 municipalities, which levies may be made in addition to  
 10 all-purpose levy as provided in sections 84-4701.1 and  
 11 84-4701.6. The moneys received from ~~such the~~ all-purpose  
 12 levy shall be accounted for in a common fund known as the  
 13 all-purpose general fund.

14 {2} An amount not to exceed ~~five-per-centum--{5%}~~ of  
 15 the moneys received from and as a part of the all-purpose  
 16 levy aforesaid may be placed in a separate fund known as the  
 17 capital improvement program fund to be earmarked for the  
 18 replacement and acquisition of property, plant, or equipment  
 19 costing in excess of ~~five-thousand-dollars--{5,000}~~ with a  
 20 life expectancy of ~~five--{5}~~ years or more, ~~provided that a~~  
 21 capital improvement program has been formally adopted by  
 22 city or town ordinance.

23 {3} The moneys held in the capital improvement program  
 24 fund shall, whenever possible, be invested in savings or  
 25 time deposits in a state or national bank insured by the



1 federal deposit insurance corporation or in direct  
 2 obligations of the United States government and credited  
 3 back to the fund plus interest earned."

4 Section 58. Section 84-4713, R.C.M. 1947, is amended  
 5 to read as follows:

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

1 ~~to taxation~~ in such city or town."

2 Section 59. Section 84-5103, R.C.M. 1947, is amended  
 3 to read as follows:

4 "84-5103. Taxation of credits of insurance companies  
 5 -- other property. All property other than credits of  
 6 insurance companies required by law to have and maintain a  
 7 legal reserve for the protection of policyholders shall be  
 8 assessed, classified, and taxed as other property of like  
 9 character. Credits, including evidence of indebtedness  
 10 secured by mortgages, less legal reserves for the protection  
 11 of policyholders and other indebtedness, shall be classified  
 12 and taxed on the basis of ~~thirty-per-centum (30%)~~ of full  
 13 ~~cash market~~ value as thus ascertained."

14 Section 60. Section 84-5211, R.C.M. 1947, is amended  
 15 to read as follows:

16 "84-5211. Limitation of levies -- livestock moneys.  
 17 The amount of ~~such the~~ levy ~~shall may~~ not in any event  
 18 exceed ~~two--(2) &~~ 10 mills upon the ~~assessed-valuation~~  
 19 ~~taxable value~~ of sheep and ~~three-(3) &~~ 15 mills upon the  
 20 ~~assessed-valuation taxable value~~ of other livestock, which  
 21 ~~shall be levied The levy is raised~~ to aid in the payment of  
 22 the general ~~expense expenses~~ of the brands-enforcement  
 23 functions of the department of livestock, including  
 24 salaries, office expense, detective expense, ~~expense-of~~  
 25 prosecution, travel, and all incidental ~~expense expenses~~.

1 ~~and a~~ A separate levy of not exceeding to exceed three ~~(3)~~ 2  
 2 15 mills on all livestock may be raised for the use of the  
 3 animal health functions of the department of livestock to be  
 4 and placed in the an earmarked revenue fund for the payment  
 5 of indemnity for animals slaughtered, and for salaries and  
 6 expenses incurred in investigating, controlling, and  
 7 suppressing diseases, including expenses of quarantine and  
 8 salaries and expenses incurred for such purposes, and for  
 9 laboratory maintenance, provided further that At the  
 10 written request of the department of livestock the state  
 11 treasurer and state controller, at the written request of  
 12 the department of livestock shall set aside in a separate  
 13 account in the earmarked revenue fund such any moneys as may  
 14 be available and requested, which the moneys shall may be  
 15 expended only when the department of livestock determines  
 16 that a livestock disease emergency exists requiring its  
 17 expenditures and they shall then be expended for such  
 18 purposes as the department of livestock may order and  
 19 direct."

20 SECTION 61. INSTRUCTIONS TO CODE COMMISSIONER AND  
 21 PUBLISHER, IN PREPARING A COMPOSITE SECTION OF SECTION  
 22 84-5211, AS AMENDED BY THIS ACT AND BY CHAPTER 120, LAWS OF  
 23 1977, THE CODE COMMISSIONER AND THE PUBLISHER OF THE REVISED  
 24 CODES OF MONTANA, 1947, SHALL INDICATE THE AUTHORITY GRANTED  
 25 BY CHAPTER 120 AS AUTHORITY TO LEVY AN ADDITIONAL 5 MILLS ON

1 THE TAXABLE VALUE OF ALL LIVESTOCK.  
 2 SECTION 60, THERE IS A NEW REVISED SECTION THAT READS  
 3 AS FOLLOWS:  
 4 Instructions to code commissioner and publishers in  
 5 preparing a composite section of section 84-5211, as amended  
 6 by this act and by Chapter 120, Laws of 1977, the code  
 7 commissioner and the publisher of the Revised Codes of  
 8 Montana, 1947, shall indicate the authority granted by  
 9 Chapter 120 as authority to levy an additional 3 mills on  
 10 the taxable value of all livestock.  
 11 Section 62. Section 84-5214, R.C.M. 1947, is amended  
 12 to read as follows:  
 13 "84-5214. Levy for bounty moneys -- use of proceeds.  
 14 The department of revenue shall annually prescribe, make  
 15 and levy an ad valorem tax on all livestock in the state of  
 16 Montana for the purpose of protecting such livestock them  
 17 against destruction, depredation, and injury by wild  
 18 animals, whether the livestock is on lands in private  
 19 ownership, in the ownership of the state, or in the  
 20 ownership of the United States, including open ranges and  
 21 all lands in or of the public domain. This protection may be  
 22 by any means of effective predatory animal destruction,  
 23 extermination, and control, including systematic hunting,  
 24 and trapping in planned campaigns, or otherwise, and payment  
 25 of bounties against destruction, depredation and injury by

1 ~~wild animals whether on lands in private ownership in the~~  
 2 ~~ownership of the state or in the ownership of the United~~  
 3 ~~States including open ranges and all lands in or of the~~  
 4 ~~public domain. The tax levy shall may not exceed in any one~~  
 5 ~~(1) year (a) one and one-half (1-1/2) ~~and 1.5~~ mills on the~~  
 6 ~~assessed valuation taxable value~~ of all sheep and ~~(b) one~~  
 7 ~~(1) mill ~~3 Mills 1 Mill 5 MILLS~~ on the assessed valuation~~  
 8 ~~taxable value~~ of other livestock. The moneys received from  
 9 ~~such the~~ tax levies shall be transmitted monthly with other  
 10 taxes for state purposes by the county treasurer of each  
 11 county to the state treasury, ~~and be by the the~~ state  
 12 treasurer ~~placed in and to the credit of the shall place the~~  
 13 ~~money in an~~ earmarked revenue fund ~~(with the other moneys in~~  
 14 ~~that fund under the provisions of section as provided in~~  
 15 ~~46-1901), and such the~~ moneys shall thereafter be paid out  
 16 only on claims duly and regularly presented to the  
 17 department of livestock, and thereafter approved by ~~said the~~  
 18 department, in accordance with the law applicable either to  
 19 claims for bounties, ~~when such claims are approved,~~ or to  
 20 ~~claims~~ for other expenditures necessary and proper for  
 21 predatory animal control by other means and methods ~~other~~  
 22 than payment of bounties, as ~~may be~~ determined by the  
 23 department of livestock. All ~~such the~~ moneys shall be  
 24 available for the payment of bounty claims and for  
 25 expenditures ~~in and~~ for planned, seasonal, or other

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

8 Section 63. Section 84-5216, R.C.M. 1947, is amended  
 9 to read as follows:

10 "84-5216. Tax levy for bounties on predatory animals.  
 11 Whenever the owners, or agent, or agents of ~~such the~~ owners,  
 12 representing ~~fifty-one per cent 51%~~ of the livestock of any  
 13 county in this state shall present a petition to the board  
 14 of county commissioners of such county, asking for the levy  
 15 of a tax upon the livestock of ~~such the~~ county for the  
 16 purpose of paying bounties on predatory animals killed in  
 17 ~~such the~~ county, it shall ~~be is~~ the duty of ~~such the~~ board  
 18 of county commissioners to make ~~such the~~ levy, which shall  
 19 ~~may~~ not exceed ~~ten to 30 50~~ mills on the dollar on ~~of~~ the  
 20 ~~assessed valuation taxable value~~ of all livestock in ~~such~~  
 21 ~~the~~ county, which ~~the~~ tax shall be assessed and collected  
 22 in the same manner as all other state and county taxes."

23 Section 64. Section 84-5406, R.C.M. 1947, is amended  
 24 to read as follows:

25 "84-5406. Assessment of royalties. Upon receipt of the

1 list or schedule setting forth the names and addresses of  
 2 any and all persons, corporations, and associations owning  
 3 or claiming royalty and the amount or amounts paid or  
 4 yielded as royalty to such the royalty owners or claimants  
 5 during the year for which such the return is made, the state  
 6 department of revenue shall proceed to the assessment of all  
 7 such assess and tax the royalties and shall assess the same  
 8 at the full cash value of the money or product yielded  
 9 during such preceding calendar year, and the same shall be  
 10 taxed on the same basis as net proceeds of mines are taxed  
 11 as provided by section 84-301 ~~84-301.2~~ 84-301.3."

12 Section 65. Section 84-6008, R.C.M. 1947, is amended  
 13 to read as follows:

14 "84-6008. Assessment of personal property brought into  
 15 the state -- exceptions. (1) Property in the following cases  
 16 is subject to taxation and assessment for all taxes levied  
 17 that year in the county in which it is located:

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

22 (b) ~~or if the property whose~~ owner and/or the user of  
 23 the property is engaged in gainful occupation or business  
 24 enterprise in the state; or

25 (c) the property otherwise which comes to rest and

1 becomes a part of the general property of the state, shall  
 2 ~~be subject to taxation and shall be assessed for all taxes~~  
 3 ~~levied or leviable for that year in the county in which the~~  
 4 ~~same shall thus be~~

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

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

19 (4) ~~provided further that this act~~ This section shall  
 20 not apply to motor vehicles brought, driven, or coming into  
 21 this state by any nonresident, migratory, bona fide  
 22 agricultural workers temporarily employed in agricultural  
 23 work in Montana where said if the motor vehicles are used  
 24 exclusively for transportation of agricultural workers.

25 (5) Agricultural harvesting machinery classified under

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

9 Section 66. Section 84-6102, R.C.M. 1947, is amended  
 10 to read as follows:

11 "84-6102. United States property held under contract  
 12 of sale ~~assessment--at full value.~~ When ~~such the~~ property  
 13 is held under a contract of sale or other agreement whereby  
 14 ~~on--certain~~ upon payment or payments the legal title is or  
 15 may be acquired by ~~such the~~ person, corporation, or  
 16 association, ~~such the~~ real property shall be assessed and  
 17 taxed as ~~for the full value--thereof~~ defined in 84-301.5,  
 18 ~~84-301.6, 84-301.8, 84-301.9, 84-301.11, 84-301.15, or~~  
 19 84-301.2 THROUGH 84-301.19 AND 84-401 without deduction on  
 20 account of the whole or any part of the purchase price or  
 21 other sum due on ~~such the~~ property remaining unpaid,  
 22 ~~provided--that--the the~~ lien for ~~such the~~ tax shall neither  
 23 may not attach to, impair, nor ~~or~~ be enforced against any  
 24 interest of the United States in ~~such the~~ real property."

25 Section 67. Section 84-6103, R.C.M. 1947, is amended

1 to read as follows:

2 "84-6103. United States property held under lease --  
 3 assessment at value of leasehold. When ~~such the~~ property is  
 4 held under lease, or other interest, or estate therein less  
 5 than the fee, except under contract of sale, ~~such the~~  
 6 property shall be assessed and taxed as for the ~~true--cash~~  
 7 value as defined in 84-301.2 through 84-301.15 and 84-401  
 8 84-301.19 of such leasehold, interest, or estate in ~~such the~~  
 9 property and the lien for ~~such the~~ tax shall attach to and  
 10 be enforced against only the leasehold, interest, or estate  
 11 in ~~such the~~ property, ~~provided--that--where~~ When the United  
 12 States authorizes the taxation of ~~such the~~ property for the  
 13 full assessed value of the fee thereof, ~~such the~~ property  
 14 shall be assessed for ~~such full~~ assessed value, as defined  
 15 in 84-401."

16 Section 68. Section 84-6205, R.C.M. 1947, is amended  
 17 to read as follows:

18 "84-6205. Assessment of royalties. The amount of  
 19 royalty received shall be considered net proceeds to the  
 20 recipient and shall be assessed as follows: ~~Upon upon~~  
 21 receipt of the lists or schedules setting forth the names  
 22 and addresses of any and all persons owning or claiming  
 23 royalty, and the amount ~~or--amounts~~ paid or yielded as  
 24 royalty to such royalty owners or claimants during the year  
 25 for which such return is made, the state department of

1 revenue shall proceed to the ~~assessment of all such~~  
2 ~~royalties and shall~~ assess and tax the same at ~~the full~~  
3 ~~cash value of the money or product yielded or accrued during~~  
4 ~~such preceding calendar years and the same shall be taxed as~~  
5 net proceeds of mines."

6 Section 69. Section 84-6407, R.C.M. 1947, is amended  
7 to read as follows:

8 "84-6407. Transmission of statement of amount  
9 apportioned to counties. On or before the second Monday in  
10 July, the department shall apportion ~~such~~ the assessment to  
11 the counties in or through which the airline operates. The  
12 county assessor must enter the amount of the assessment  
13 apportioned to the county in the column of the assessment  
14 roll or book which shows the total value of all property for  
15 taxation in the county. The assessment shall be assigned to  
16 class 7 seven ~~having a taxable value of forty percent (40%)~~  
17 ~~of assessed value."~~

18 ~~Section 68. Section 84-7483, R.C.M. 1947, is amended~~  
19 ~~to read as follows:~~

20 "~~84-7483. Tax treatment of certain energy-related~~  
21 ~~investments. (1) Upon application by a taxpayer, approved~~  
22 ~~under section 84-7484, a capital investment by the taxpayer~~  
23 ~~in a recognized nonfossil form of energy generation shall be~~  
24 ~~treated by the department of revenue as:~~

25 ~~(a) property exempt from taxation to the extent the~~

1 appraised ~~assessed~~ value of the investment does not exceed  
2 one hundred thousand dollars ~~(\$100,000)~~ 1 or

3 ~~(b) class seven~~ EIGHTEEN property, as defined in  
4 ~~sections 84-301 and 84-302, 84-301a 84-301b for such~~  
5 ~~portion of the~~ appraised ~~assessed~~ value of the investment  
6 that exceeds one hundred thousand dollars ~~(\$100,000)~~ 1

7 ~~(2) Upon application by a taxpayer, approved under~~  
8 ~~section 84-7484, a capital investment in a building by the~~  
9 ~~taxpayer for an energy conservation purpose shall be treated~~  
10 ~~by the department of revenue as class eight~~ FIFTEEN  
11 ~~property, as defined in sections 84-301 and 84-302, 84-301a~~  
12 ~~84-301b, to the extent the appraised assessed value of the~~  
13 ~~investment does not exceed twenty percent (20%) of the~~  
14 ~~appraised assessed value of the building in which the~~  
15 ~~investment is made."~~

16 Section 70. Section 84-7513, R.C.M. 1947, is amended  
17 to read as follows:

18 "84-7513. Valuation of commercial land. After  
19 classification as commercial, land, whether occupied or not,  
20 shall may not change in value for tax purposes unless it  
21 meets or is governed by the following provisions:

22 (1) Class A -- open undeveloped land. Open  
23 undeveloped land within the boundaries set as of designated  
24 commercial land which has value and is not designated for  
25 usage as a parking area or park, and developed as such

1 within ~~two~~{2} years from the effective date of this act  
 2 shall be subject to taxation in the following method (after  
 3 the ~~two~~{2}-year grace period):  
 4 1st year taxation -- 1% over valuation existing at the  
 5 beginning of the ~~said two~~{2} years;  
 6 2nd year taxation -- +2% over the previous year's valuation;  
 7 3rd year taxation -- +10% over the previous year's valuation;  
 8 3-5 years taxation -- +20% over the previous year's valuation;  
 9 over five 5 years -- +30% over the previous year's valuation.  
 10 (2) Class B -- existing improved land. All land in a  
 11 commercial class shall remain in the same taxable base until  
 12 expanded or remodeled. No expansion or remodeling ~~shall may~~  
 13 occur without approval of the governing body. Upon  
 14 remodeling or improving, it shall receive a reduction in  
 15 valuation in the amount of its valuation change which shall  
 16 apply as a reduction in valuation of the property for a  
 17 period of ~~five~~{5} years, commencing in the amount of the  
 18 cost of remodeling or improving in the first year and  
 19 reducing in an amount of ~~twenty percent~~{20%} per year for  
 20 each remaining year thereafter.  
 21 (3) Class C -- existing improved land. Existing  
 22 structures and buildings shall be frozen in their existing  
 23 tax base for a period of ~~ten~~{10} years, unless remodeled,  
 24 where section 12(1)(a) shall apply. If not remodeled after  
 25 ~~ten~~{10} years, the following shall apply:

1	Age of structure	Tax increase according			
2	in years	to the years since remodeled last			
3		1-5 years	5-10 years	10-15 years	15 years
4					and over
5	10-12	1%	2%	4%	5%
6	12-15	2%	4%	6%	8%
7	15-20	4%	8%	12%	16%
8	21-25	10%	12%	16%	18%
9	26-30	15%	18%	20%	24%
10	31-40	25%	28%	30%	35%
11	40-50	40%	45%	50%	60%
12	50-Over	50%	60%	75%	100%
13	(4) Class D -- new improved land.				
14	(a) The construction cost and land cost of any				
15	commercial development within a classified commercial or				
16	residential area <del>shall may</del> not be taxed for its construction				
17	period.				
18	(b) Following the nontaxable period the total cost of				
19	land and improvements developed as new commercial property				
20	shall be taxed as follows:				
21	Commercial land location	Taxable schedule			
22	(i) Land within and	Improvements shall be			
23	extending <del>nine-hundred</del>	taxed in additional			
24	{900} feet beyond that	increments as follows:			
25	area designated by the	A- <del>ten percent</del> {10%}			

1 governing authority as increase in valuation assessed  
2 the central business value per year until a total  
3 district of a community. value for tax purposes  
4 is ~~one-hundred-percent~~{100%}  
5 of assessed value.  
6 (ii) Land from that Improvements shall be  
7 designation under taxed in additional  
8 subsection (4) (b) (i) increments as follows: A  
9 to the corporate ~~thirty-three-and~~  
10 boundary or city limits. ~~one-third-percent~~  
11 ~~{33 1/3%}~~ increase in  
12 valuation assessed value per year until  
13 a total value for tax  
14 purposes is ~~one-hundred~~  
15 percent{100%} of assessed value.  
16 (iii) Land lying from An increase in taxes  
17 the corporate boundary to over the normally  
18 the ~~four-and-one-half~~ assessed value of ten  
19 ~~{4 1/2}~~ 4 1/2-mile limit. percent{10%} per year  
20 for a period of ~~ten 10~~ years  
21 unless given a waiver by  
22 the governing authority.  
23 (iv) Land lying beyond An increase in taxes  
24 the ~~four-and-one-half~~ over the normally  
25 ~~{4 1/2}~~ 4 1/2-mile limit. assessed value of

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

6 Section 71. Section 89-3403, R.C.M. 1947, is amended  
7 to read as follows:

8 "89-3403. Definitions. As used in this act, unless the  
9 context clearly indicates otherwise:

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

13 (2) "Directors directors" means the board of directors  
14 of a conservancy district;

15 (3) "Elector elector" means a person qualified to vote  
16 under section 89-3423;

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

23 (5) "Person person" means a natural person; firm;  
24 partnership; co-operative cooperative; association; public  
25 or private corporation, including the state of Montana or



1 the United States; foundation; state agency or institution;  
 2 county; municipality; district or other political  
 3 subdivision of the state; federal agency or bureau; or any  
 4 other legal entity;

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

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

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

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

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

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

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

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

20 ~~SECTION 71. THERE IS A NEW R.C.M. SECTION NUMBERED~~  
 21 ~~84-309 THAT READS AS FOLLOWS:~~

22 ~~84-309. Reappraised real property. Limitation on~~  
 23 ~~increased appraisals. Table of taxable percentages. (1)~~  
 24 ~~The director of revenue shall certify to the governor~~  
 25 ~~before June 30, 1978, the percentage by which the market~~

1 value of all property in the state classified under sections  
 2 84-301-12, 84-301-16(1)(b) and 84-301-19(1)(a) as of  
 3 January 1, 1977 has increased due to the revaluation  
 4 conducted under 84-429-14. This figure is the "certified  
 5 statewide percentage increase"

6 (2) The taxable value of property in these three  
 7 classes is determined as a function of the certified  
 8 statewide percentage increase in accordance with the  
 9 following tables

10 Certified statewide	84-301-12	84-301-16	84-301-19
11 percentage increase	(1)	(b)	(1) (a)
12	0		
13	1%	\$11.89	one half 7/30
14	2%	11.79	of the of the
15	3%	11.69	equiva equiva
16	4%	11.58	lent lent
17	5%	11.49	millage millage
18	6%	11.39	under under
19	7%	11.29	84-301-12 84-301-12
20	8%	11.20	
21	9%	11.11	
22	10%	11.02	
23	11%	10.93	
24	12%	10.84	
25	13%	10.76	

1	14%	10.67
2	15%	10.59
3	16%	10.51
4	17%	10.43
5	18%	10.35
6	19%	10.28
7	20%	10.20
8	21%	10.13
9	22%	10.05
10	23%	9.98
11	24%	9.91
12	25%	9.84
13	26%	9.77
14	27%	9.70
15	28%	9.64
16	29%	9.57
17	30%	9.51
18	31%	9.44
19	32%	9.38
20	33%	9.32
21	34%	9.26
22	35%	9.20
23	36%	9.14
24	37%	9.08
25	38%	9.03

1	<del>39%</del>	<del>8-97</del>
2	<del>40%</del>	<del>8-91</del>
3	<del>41%</del>	<del>8-86</del>
4	<del>42%</del>	<del>8-81</del>
5	<del>43%</del>	<del>8-75</del>
6	<del>44%</del>	<del>8-70</del>
7	<del>45%</del>	<del>8-65</del>
8	<del>46%</del>	<del>8-60</del>
9	<del>47%</del>	<del>8-55</del>
10	<del>48%</del>	<del>8-50</del>
11	<del>49%</del>	<del>8-45</del>
12	<del>50%</del>	<del>8-40</del>

~~SECTION 72. THERE IS A NEW R.C.M. SECTION THAT READS~~

~~AS FOLLOWS:~~

~~Temporary authority to exceed mill levy limitations in certain cases -- taxing jurisdictions may adopt and levy for a budget equal to 105% of the preceding year's budget, statutory mill levy limitations notwithstanding, unless the taxable valuation therein has increased to a level which would allow statutory mill levies to produce a budget equal to 105% of the preceding year's budget.~~

~~SECTION 72. THERE IS A NEW R.C.M. SECTION NUMBERED 84-309 THAT READS AS FOLLOWS:~~

~~84-309. Reappraised real property -- limitation on increased appraisals -- table of taxable percentages. (1)~~

1 The director of revenue shall certify to the governor,  
2 before June 30, 1978, the percentage by which the market  
3 value of all property in the state classified under sections  
4 84-301.12, 84-301.16(1)(b), and 84-301.19(1)(a) as of  
5 January 1, 1977 has increased due to the revaluation  
6 conducted under 84-429.14. This figure is the "certified  
7 statewide percentage increase".

8 (2) The taxable value of property in these three  
9 classes is determined as a function of the certified  
10 statewide percentage increase in accordance with the  
11 following table:

12 Certified statewide percentage increase	84-301.12	84-301.16 (1) (b)	84-301.19 (1) (a)
13			
14	0		
15	1%	11.89	one-half 7/30
16	2%	11.79	of the of the
17	3%	11.69	equiva- equiva-
18	4%	11.58	lent lent
19	5%	11.49	taxable taxable
20	6%	11.39	percent- percent-
21	7%	11.29	age under age under
22	8%	11.20	84-301.12 84-301.12
23	9%	11.11	
24	10%	11.02	
25	11%	10.93	

1	12%	10.84
2	13%	10.76
3	14%	10.67
4	15%	10.59
5	16%	10.51
6	17%	10.43
7	18%	10.35
8	19%	10.28
9	20%	10.20
10	21%	10.13
11	22%	10.05
12	23%	9.98
13	24%	9.91
14	25%	9.84
15	26%	9.77
16	27%	9.70
17	28%	9.64
18	29%	9.57
19	30%	9.51
20	31%	9.44
21	32%	9.38
22	33%	9.32
23	34%	9.26
24	35%	9.20
25	36%	9.14

1	37%	9.08
2	38%	9.03
3	39%	8.97
4	40%	8.91
5	41%	8.86
6	42%	8.81
7	43%	8.75
8	44%	8.70
9	45%	8.65
10	46%	8.60
11	47%	8.55
12	48%	8.50
13	49%	8.45
14	50%	8.40

15 SECTION 73. THERE IS A NEW R.C.M. SECTION THAT READS  
 16 AS FOLLOWS:

17 Temporary authority to exceed mill levy limitations in  
 18 certain cases. Taxing jurisdictions may adopt and levy for  
 19 a budget equal to 105% of the preceding year's budget,  
 20 statutory mill levy limitations notwithstanding, unless the  
 21 taxable valuation therein has increased to a level which  
 22 would allow statutory mill levies to produce a budget equal  
 23 to 105% of the preceding year's budget.

24 Section 74. Repealer. Sections 69-3923, 84-301, AND  
 25 84-302, ~~84-304, 84-305, 84-307, and 84-308~~, R.C.M. 1947, are

1 ~~repealed. HOWEVER, AMENDMENTS TO 84-301 OR 84-302, R.C.M.~~  
2 ~~1947, ENACTED BY THIS LEGISLATIVE SESSION SHALL BE~~  
3 ~~INCORPORATED INTO THE EQUIVALENT SECTIONS ENACTED IN THIS~~  
4 ~~ACT AS DIRECTED BY SUCH OTHER AMENDATORY ACTS. HOWEVER,~~  
5 ~~AMENDMENTS TO 84-301, 84-302, OR 84-307, R.C.M., 1947,~~  
6 ~~ENACTED BY THIS LEGISLATIVE SESSION SHALL BE INCORPORATED~~  
7 ~~INTO THE EQUIVALENT SECTIONS ENACTED IN THIS ACT AS DIRECTED~~  
8 ~~BY SUCH OTHER AMENDATORY ACTS.~~

-End-