

1 H BILL NO. 401
2 INTRODUCED BY Menaker

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH A SCHEDULE
5 OF FIXED FEES IN LIEU OF AD VALOREM PERSONAL PROPERTY TAXES
6 ON CERTAIN TYPES OF RECREATIONAL VEHICLES."

7
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9 Section 1. Statement of purpose. The legislature finds
10 that the ad valorem assessment of recreational vehicles
11 under rules of the department of revenue incorporating
12 various blue books and valuation guides does not reflect
13 equitable principles of personal property taxation. In order
14 to simplify tax procedures and equalize tax burdens, the
15 purpose of this act is to supersede the assessment rules of
16 the department with a schedule of fixed fees in lieu of ad
17 valorem taxes on certain recreational vehicles.

18 Section 2. Fees in lieu of personal property tax --
19 certain recreational vehicles. (1) In lieu of all other
20 property tax levies, owners of the following categories of
21 personal property shall, annually in conjunction with
22 registration, pay the following fees:

23 (a) a snowmobile, as defined in 53-1012 or as that
24 section may be renumbered or amended, \$20 if the year of
25 manufacture is less than 6 years before the registration

1 year, and \$10 in all other cases;

2 (b) a camping trailer, defined as a vehicular portable
3 unit mounted on wheels and constructed with collapsible
4 partial sidewalls which fold for towing by another vehicle
5 and unfold at the campsite to provide temporary living
6 quarters for recreational, camping, or travel use, \$15 in
7 all cases;

8 (c) a camper, as defined in 53-644 or as that section
9 may be amended or renumbered, \$15 in all cases; and

10 (d) a motor home, defined as a vehicular unit built on
11 a self-propelled motor vehicle chassis, primarily designed
12 to provide temporary living quarters for recreational,
13 camping, or travel use, \$300 if the year of manufacture is
14 less than 3 years before the registration year, \$200 if the
15 year of manufacture is at least 3 and less than 6 years
16 before the registration year, and \$100 in all other cases.

17 (2) Fees imposed under this section shall be paid to
18 the county treasurer. The treasurer shall apportion each
19 fee among the jurisdictions levying on other property in the
20 school district of the registered owner's residence, in the
21 ratio each such levy bears to the total levy.

-End-

HB 401

STATE OF MONTANA

REQUEST NO. 175-77

FISCAL NOTE

Form BD-15

In compliance with a written request received January 24, 19 77, there is hereby submitted a Fiscal Note for House Bill 401 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 establish a schedule of fixed fees in lieu of ad valorem personal property taxes on certain types of recreational vehicles.

ASSUMPTIONS

1. The effect on snowmobiles would be to increase taxes paid by approximately 25%.
2. The effect on camping trailers, campers, and motor homes would be approximately neutral.
3. Collections to state under current law would be \$11,521 in FY 78 and \$12,673 in FY 79.
4. Administrative costs would remain unchanged.

FISCAL IMPACT

	<u>FY 78</u>	<u>FY 79</u>
State 6 mills on property under current law.	\$11,521	\$12,673
State 6 mills on property under proposed law.	<u>\$14,401</u>	<u>\$15,841</u>
INCREASE	<u>\$ 2,880</u>	<u>\$ 3,168</u>

EFFECT ON COUNTY OR OTHER LOCAL REVENUE

Local revenues from snowmobile taxation will be increased by approximately \$100,000.

LONG-RANGE EFFECT

In future years state revenues from snowmobile taxation will be increased by approximately \$3,500.

PREPARED BY DEPARTMENT OF REVENUE

Richard J. Dean
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-26-77

STATE OF MONTANA

REQUEST NO. 369-77

FISCAL NOTE

Form BD-15

In compliance with a written request received February 9, 19 77, there is hereby submitted a Fiscal Note for Senate Bill 401 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

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

DESCRIPTION OF PROPOSED LEGISLATION:

An act providing for the consolidation of administrative functions regarding building codes; and providing for promulgation of codes by the Department of Administration.

ASSUMPTIONS:

1. The workload relating to plumbing and electrical inspections will be somewhat reduced since the state will not be inspecting in municipalities where inspections are being done by a municipality.
2. With a reduction in overlapping inspections, staffing needs can be somewhat reduced.
3. Charges for present services by the various state agencies will not change until a thorough review and analysis of such fees can be made, with the hope that one fee can be charged per building to cover all inspections.
4. This fiscal note does not address the process of separating licensing and inspection functions presently under the Department of Professional and Occupational Licensing since such a separation must be handled administratively with possible inter-department agreements made regarding cooperative enforcement of licensing law. It will take several years to make such a major transition.
5. Due to the nature of code enforcement, a full-time attorney is needed to assist in legal matters.
6. Due to the amount of fees handled an accountant will be needed to properly handle collections and their distribution.
7. Each function of the proposed program must be self-supporting.
8. Due to the nature of code enforcement, the public must have easy access to state agencies; thus, at least three area offices should be provided to provide such service.
9. Due to the multiplicity of disciplines involved in code enforcement, a main office of adequately trained professionals should be retained to review plans and serve as a source of information to designers, the general public, and state field inspectors. Also, these specialists will educate area personnel and municipal personnel.
10. Due to the multiplicity of disciplines it is impossible for any one person to expertly inspect work on all phases; thus, area offices should be staffed with a person trained in each discipline. This is not to rule out the fact that, whenever possible, inspectors will inspect for other than their own discipline so as to cut down the number of inspections per building.
11. Assume that building construction in Montana will continue at the present rate.
12. Time will be needed to adjust present staffings.
13. The Department of Administration will need some funding to mesh the newly reassigned functions into its organization.
14. Area offices must be open 8 hours per day for the convenience of the public. To reduce the need to have needed inspection personnel in the area office 8 hours a day, a secretary must be provided to answer phones and notify field inspectors of problems, and to get assistance for public from main office when necessary.
15. Area chiefs will serve as minimal office management and building code inspectors.
16. The number of state employees currently involved in the process can be reduced (see attached proposed organizational chart).
17. This fiscal note does not concern itself with certification and licensing of medical facilities and food services establishments, and community service and water systems.

FISCAL IMPACT:

Expenditures under current law	\$689,865	\$698,194
Expenditures under proposed law	<u>502,173</u>	<u>518,002</u>
Decrease in expenditures due to proposed legislation	<u>\$187,692</u>	<u>\$180,192</u>

Richard J. Taylor
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-11-77