

1 *Senate* BILL NO. *102*  
 2 INTRODUCED BY *Jerguson E. Smith*-----  
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE METHOD  
 5 OF ASSESSING SWINE AFTER 1976; ENACTING A NEW R.C.M.  
 6 SECTION AND AMENDING SECTION 84-202, R.C.M. 1947."

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

9 Section 1. Assessment of swine. (1) Each swine  
 10 producer shall submit a statement in the manner prescribed  
 11 by the department of revenue showing the number of pigs  
 12 owned in each of the following classes as of January 1:

13 (a) market hogs, which are hogs between 3 months and 6  
 14 months of age, and which have a conclusively presumed weight  
 15 factor of 150 pounds;

16 (b) breeding sows, which have a conclusively presumed  
 17 weight factor of 300 pounds;

18 (c) breeding boars, which have a conclusively presumed  
 19 weight factor of 300 pounds.

20 (2) The department shall determine market value of  
 21 swine by multiplying the following average USDA Omaha  
 22 quotation price over the preceding 5 years, less \$2 per  
 23 hundred in the case of market hogs and breeding sows, times  
 24 the conclusively presumed weight of each pig in the class:

25 (a) market hogs—USDA Omaha quotation for grades 1 to

1 3 at 200 to 240 pounds;

2 (b) breeding sows—USDA Omaha quotation for sows at  
 3 270 to 330 pounds;

4 (c) breeding boars—valued the same as market hogs.

5 (3) The department shall apply the same equalization  
 6 factor to swine as to other classes of livestock.

7 (4) The department shall publish the most recent  
 8 5-year average USDA Omaha quotation price for each class in  
 9 the Montana Administrative Code.

10 Section 2. Section 84-202, R.C.M. 1947, is amended to  
 11 read as follows:

12 "84-202. Exemptions from taxation. (1) (a) The  
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 14 towns, school districts, municipal corporations, public  
 15 libraries, buildings with land they occupy and furnishings  
 16 therein owned by a church and used for actual religious  
 17 worship and for residences of the clergy, together with  
 18 adjacent land reasonably necessary for convenient use of  
 19 such buildings owned by a church, such other property as is  
 20 used exclusively for agricultural and horticultural  
 21 societies, for educational purposes, hospitals and places of  
 22 burial not used or held for private or corporate profit, and  
 23 institutions of purely public charity, evidence of debt  
 24 secured by mortgages of record upon real or personal  
 25 property in the state of Montana, and public art galleries

1 and public observatories not used or held for private or  
2 corporate profit, are exempt from taxation, but no more land  
3 than is necessary for such purpose is exempt.

4 (b) As used in this subsection, the term "institutions  
5 of purely public charity" shall include organizations owning  
6 and operating facilities for the care of the retired or aged  
7 or chronically ill which are not operated for gain or  
8 profit; and the terms "public art galleries and public  
9 observatories" shall mean only such art galleries and  
10 observatories whether of public or private ownership, as are  
11 open to the public, without charge or fee at all reasonable  
12 hours, and are used for the purpose of education only.

13 (2) When a clubhouse or building erected by or  
14 belonging to any society or organization of honorably  
15 discharged United States soldiers, sailors or marines who  
16 served in army or navy of United States, is used exclusively  
17 for educational, fraternal, benevolent or purely public  
18 charitable purposes, rather than for gain or profit,  
19 together with the library and furniture necessarily used in  
20 any such building, such property is exempt from taxation,  
21 and all property, real or personal, in the possession of  
22 legal guardians of incompetent veterans of the World War or  
23 minor dependents of such veterans, where such property is  
24 funds or derived from funds received from the United States  
25 as pension, compensation, insurance, adjusted compensation,

1 or gratuity, shall be exempt from all taxation as property  
2 of the United States while held by the guardian, but not  
3 after title passes to the veteran or minor in his or her own  
4 right on account of removal of legal disability.

5 (3) All household goods and furniture, including  
6 clocks, musical instruments, sewing machines, wearing  
7 apparel of members of the family actually used by the owner  
8 for personal and domestic purposes, or for furnishing or  
9 equipping the family residence are exempt from taxation.

10 (4) Freeport merchandise shall be exempt from  
11 taxation. Freeport merchandise means those stocks of  
12 merchandise manufactured or produced outside this state  
13 which are in transit through this state and consigned to a  
14 warehouse or other storage facility, public or private,  
15 within this state, for storage in transit prior to shipment  
16 to a final destination outside the state, and which have  
17 acquired a taxable situs within the state.

18 Stocks of merchandise do not lose their status as  
19 freeport merchandise because while in the storage facility  
20 they are assembled, bound, joined, processed, disassembled,  
21 divided, cut, broken in bulk, relabeled or repackaged.

22 Any person, corporation, firm, partnership,  
23 association, or other group seeking to qualify its property  
24 for inclusion in this class shall make application to the  
25 state department of revenue in such manner or form as may be

1 required by the department.

2 (5) [The following agricultural products are exempt  
3 from taxation:]

4 (a) All unprocessed, perishable fruits and vegetables  
5 in farm storage and owned by the producer are exempt from  
6 taxation.

7 (b) All nonperishable unprocessed agricultural  
8 products except livestock, held in possession of the  
9 original producer for less than seven (7) months following  
10 harvest.

11 (c) Livestock, defined as cattle, sheep, horses, or  
12 mules, which have not attained the age of ~~nine (9)~~ months as  
13 of the last day of any month and swine which have not  
14 attained the age of 3 months as of January 1.

15 (6) Moneys and credits are exempt from taxation.

16 (7) A capital investment in a recognized nonfcossil  
17 form of energy generation is exempt to the extent provided  
18 under section 84-7403."

-End-

STATE OF MONTANA

REQUEST NO. 384-77

FISCAL NOTE

Form BD-15

In compliance with a written request received February 7, 19 77, there is hereby submitted a Fiscal Note for Senate Bill 102 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

This bill establishes the method of assessing swine after 1976.

ASSUMPTIONS

There will be a slight decrease in the taxable value of swine in Montana. The fiscal impact will be small because swine comprise such a small portion of the tax base of both local governments and the state.

PREPARED BY THE DEPARTMENT OF REVENUE

*Richard L. Zang*  
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-9-77

Approved by Committee  
on Taxation

*Senate* BILL NO. 102  
INTRODUCED BY Jerguson E. Smith

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1 3 at 200 to 240 pounds;  
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3 270 to 330 pounds;  
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5 (3) The department shall apply the same equalization  
6 factor to swine as to other classes of livestock.  
7 (4) The department shall publish the most recent  
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25 property in the state of Montana, and public art galleries

*SB102*

1 and public observatories not used or held for private or  
2 corporate profit, are exempt from taxation, but no more land  
3 than is necessary for such purpose is exempt.

4 (b) As used in this subsection, the term "institutions  
5 of purely public charity" shall include organizations owning  
6 and operating facilities for the care of the retired or aged  
7 or chronically ill which are not operated for gain or  
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11 open to the public, without charge or fee at all reasonable  
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13 (2) When a clubhouse or building erected by or  
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23 minor dependents of such veterans, where such property is  
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-End-

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*SB102*



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REFERENCE BILL

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