1 Lenste BILL NO. 155
2 INTRODUCED BY Laftfor MolMber Elehant Suntile

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45th Legislature

4 A BILL POR AN ACT ENTITLED: "AN ACT TO AMEND SECTION 5 84-202, R.C.M. 1947, TO EXEMPT PROPERTY OF IRRIGATION 6 DISTRICTS FROM TAXATION AND TO AMEND SECTION 89-1702, R.C.M. 1947, TO EXEMPT EQUIPMENT, MACHINERY, MOTOR VEHICLES, AND OTHER PERSONAL PROPERTY BELONGING TO IRRIGATION DISTRICTS 9 PROM STATE, COUNTY, OR MUNICIPAL TAXATION; AMENDING SECTION 53-106, R.C.M. 1947."

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

Section 1. Section 84-202, R.C.M. 1947, is amended to
read as follows:

m84-202. Bremptions from taxation. (1) (a) The property of the United States, the state, counties, cities, towns, school districts, <u>irrigation districts organized under the laws of Montana and not operating for profit</u>, municipal corporations, public libraries, buildings with land they occupy and furnishings therein owned by a church and used for actual religious worship and for residences of the clergy, together with adjacent land reasonably necessary for convenient use of such buildings owned by a church, such other property as is used exclusively for agricultural and horticultural societies, for educational purposes, hospitals

and places of burial not used or held for private or corporate profit, and institutions of purely public charity, evidence of debt secured by mortgages of record upon real or personal property in the state of Montana, and public art galleries and public observatories not used or held for private or corporate profit, are exempt from taxation, but no more land than is necessary for such purpose is exempt.

- 8 (b) As used in this subsection, the term "institutions 9 of purely public charity" shall include organizations cuning 10 and operating facilities for the care of the retired or aged 11 or chronically ill which are not operated for gain or 12 profit; and the terms "public art galleries and public 13 observatories shall mean only such art galleries and 14 observatories whether of public or private ownership, as are 15 open to the public, without charge or fee at all reasonable 16 hours, and are used for the purpose of education only.
- 17 (2) When a clubbouse or building erected by cr 18 belonging to any society or organization of honorably 19 discharged Upited States soldiers, sailors or marines who 26 served in army or mavy of United States, is used exclusively 21 for educational, fraternal, benevolent or purely public 22 charitable purposes, rather than for gain or profit, together with the library and furniture necessarily used in 23 24 any such building, such property is exempt from taxation, 25 and all property, real or personal, in the possession of

legal guardians of incompetent veterans of the World War or minor dependents of such veterans, where such property is funds or derived from funds received from the United States as pension, compensation, insurance, adjusted compensation, or gratuity, shall be exempt from all taxation as property of the United States while held by the guardian, but not after title passes to the veteran or minor in his or her own right on account of removal of legal disability.

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- (3) All household goods and furniture, including clocks, musical instruments, sewing machines, wearing apparel of members of the family actually used by the owner for personal and domestic purposes, or for furnishing or equipping the family residence are exempt from taxation.
- (4) Freeport merchandise shall be exempt from taxation. Preeport merchandise means those stocks of merchandise manufactured or produced outside this state which are in transit through this state and consigned to a warehouse or other storage facility, rublic or private, within this state, for storage in transit prior to shipment to a final destination outside the state, and which have acquired a taxable situs within the state.
- Stocks of merchandise do not lose their status as freeport merchandise because while in the storage facility they are assembled, bound, joined, processed, disassembled, divided, cut, broken in bulk, relabeled or repackaged.

1 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 state department of revenue in such manner or form as may be
5 required by the department.

- 6 (5) [The following agricultural products are exempt
 7 from taxation:]
- 8 (a) All unprocessed, perishable fruits and wegetables
 9 in farm storage and owned by the producer are exempt from
 10 taxation.
- 11 (b) All nonperishable unprocessed agricultural
 12 products except livestock, held in possession of the
 13 original producer for less than seven (7) months following
 14 harvest.
- 15 (c) Livestock, defined as cattle, sheep, horses, or 16 mules, which have not attained the age of nine (9) months as 17 of the last day of any month.
- 18 (6) Moneys and credits are exempt from taxation.
- 19 (7) A capital investment in a recognized nonfossil 20 form of energy generation is exempt to the extent provided 21 under section 84-7403.**
- Section 2. Section 89-1702, R.C.H. 1947, is amended to read as follows:
- 24 #89-1702. Exemption of irrigation district property.
- 25 The bonds issued under the provisions of this act, rights of

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- way, ditches, flumes, pipelines, dams, water rights, 2 reservoirs, and other property of like character, equipment.
- machinery, motor wehicles, and all other personal property 3
- 4 belonging to any irrigation district - shall organized under
- the laws of Montana and not operating for profit may not be 5
- taxed for state, county, or municipal purposes." 6

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- 7 Section 3. Section 53-106, R.C.M. 1947, is amended to read as follows:
- 9 "53-106. Number plates. (1) Every motor vehicle which shall be driven upon the streets or highways of this state 10 11 shall display both front and rear a number plate, bearing the distinctive number assigned such vehicle. Such number 12 13 plate shall be in eight series: one series for owners of motor cars, one for owners of motor vehicles of the 14 motorcycle type, one for trailers, one for trucks, one for 15 dealers in vehicles of the motorcycle type which shall bear 16 the distinctive letters "MCD" or the letters "MC" and the 17 18 word "DEALER." one for franchised dealers in new motor cars (including trucks and trailers) or new and used motor cars 19 20 (including trucks and trailers) which shall bear the distinctive letter "D" or the word "DBALER," one for dealers 21 22 in used motor cars only (including used trucks and trailers) 23 which shall bear the distinctive letters "UD" or the letter 24 "O" and the word "DEALER," and one for dealers in trailers

- 1 distinctive letters "DTR" or the letters "TR" and the word 2 "DEALER," and all such markings for the aforementioned kinds of dealers' plates shall be placed on the number plates assigned thereto in such position thereon as the registrar 5 may designate. All number plates for motor vehicles shall be issued for a minimum period of four years, provided that 7 number plates shall next be issued in the year 1976 and as often thereafter as is consistent with the provisions of 9 this section, shall bear a distinctive marking, and shall be 10 furnished by the state. In years when number plates are not 11 issued, the registrar shall provide nonremovable stickers 12 bearing appropriate registration numbers which shall be
- 14 (2) In the case of motor cars and trucks, number 15 plates shall be of metal six inches wide and twelve inches in length, the number plates issued in the year 1976 to be 16 17 of a graphic design commemorating the bicentennial of the 18 founding of the United States of America, and the word 19 "Montana" with the year placed on the plate. For number 20 plates issued after 1976, the cutline of the state of 21 Montana shall be used as a distinctive border on such 22 license plates, and the word "Montana" with the year shall 23 be placed across the bottom of the plate. Such registration 24 plate shall be treated with a reflectorized background 25 material according to specifications prescribed by the

affixed to the license plates in use.

and/or semitrailers (new or used) which shall bear the

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registrar. An additional fee of one dollar (\$1.00) per year for each registration of a vehicle shall be added to the registration fee. Revenue from this fee shall be forwarded by the respective county treasurers to the state treasurer for deposit in the motor vehicle recording account of the earmarked revenue fund. Disbursements from the motor vehicle recording account shall be made by warrant drawn by the registrar. The distinctive registration numbers shall begin with a number one (1) or with a letter-number combination such as "A 1" or "AA 1," or any other similar combination of letters and numbers and be numbered consecutively for each series of plates. The distinctive registration number or letter-number combination assigned to the vehicle shall appear on the plate preceded by the number of the county and appearing in horizontal order on the same horizontal base line, and the county number shall be separated from the distinctive registration number by a separation mark unless a letter-number combination is used. The dimensions of such numerals and letters shall be determined by the registrar of motor vehicles, provided that all county and registration numbers shall be of equal height.

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(3) For the use of tax-exempt motor vehicles, in addition to the markings herein provided, number plates shall have thereon the following distinctive markings:

For wehicles owned by the state the registrar of motor

vehicles may designate the prefix number for the various state departments, and all numbered plates issued to state departments shall bear the words "State Owned" and no year number will be indicated thereon as these numbered plates will be of a permanent nature, and will be replaced by the registrar of motor vehicles at such time when the physical 7 condition of numbered plates requires same. For vehicles owned by the counties, municipalities, irrigation districts 9 organized under the laws of Montana and not operating for 10 profit, and school districts and used and operated by 11 officials and employees thereof in line of duty as such, and 12 for vehicles on loan from the United States government or 13 the state of Montana, to, or owned by, the civil air ratrol 14 and used and operated by officials and employees thereof in 15 the line of duty as such, there shall be placed on the 16 number plates assigned thereto, in such position thereon as 17 the registrar may designate, the letter "I" or the word 18 "EXEMPT." Distinctive registration numbers for plates 19 assigned to motor vehicles of each of the counties in the 20 state and those of the municipalities and school districts 21 situated within each of said counties and those of the 22 irrigation districts which obtain plates within each county 23 shall begin with number 1 and be numbered consecutively.

the truck and trailer type, other than tax-exempt trucks and

(4) On all number plates assigned to motor vehicles of

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- 1 trailers, there shall appear the letter "T" or the word
- 2 "TRUCK" for plates assigned to trucks and the letters "TR"
- 3 or the word "TRAILER" for plates assigned to trailers, and
 - housetrailers, and the letters "MC" or the word "CYCLE" for
- 5 plates assigned to vehicles of the motorcycle type.
- 6 Number plates issued to a passenger car, truck, trailer
- 7 or wehicle of the motorcycle type may be transferred only to
 - a replacement passenger car, truck, trailer or motorcycle
- 9 type wehicle.

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- 10 (5) For the purpose of this act, the several counties
- 11 of the state shall be assigned numbers as follows: Silver
 - Bow, 1; Cascade, 2; Tellowstone, 3; Bissoula, 4; Lewis and
- 13 Clark, 5; Gallatin, 6; Plathead, 7; Fergus, 8; Powder River,
- 14 9: Carbon, 10: Phillips, 11: Hill, 12: Ravalli, 13: Custer,
- 15 14; Lake, 15; Dawson, 16; Roosevelt, 17; Beaverhead, 18;
- 16 Chouteau, 19: Valley, 20: Toole, 21: Big Horn, 22:
- 17 Musselshell, 23: Blaine, 24: Madison, 25: Pondera, 26:

Richland, 27; Powell, 28; Rosebud, 29; Deer Lodge, 30;

- 19 Teton, 31; Stillwater, 32; Treasure, 33; Sheridan, 34;
- 20 Sanders, 35; Judith Basin, 36; Daniels, 37; Glacier, 38;
- 21 Fallon, 39; Sweet Grass, 40; ScCone, 41; Carter, 42;
- 22 Broadwater, 43; Wheatland, 44; Prairie, 45; Granite, 46;
- 23 Meagher, 47: Liberty, 48: Park, 49; Garfield, 50; Jefferson,
- 24 51; Wibaux, 52; Golden Valley, 53; Mineral, 54; Petroleum,
- 25 55: Lincoln, 56: any new counties shall be assigned numbers

- 1 by the registrar of motor vehicles as they may be formed.
- 2 beginning with the number 57."

-End-

STATE OF MONTANA

REQUEST NO. 136-77

FISCAL NOTE

Form BD-15

In compliance with a written request received
for Senate Bill 155 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 exempts property of irrigation districts from taxation and it exempts equipment, machinery, motor vehicles, and other personal property belonging to irrigation districts from state, county, or municipal taxation.

ASSUMPTIONS

If this bill were enacted the effect on state and local revenue would be minimal. Real property of irrigation districts is currently not subject to property tax because section 84-206 R.C.M. 1947 requires that such property be treated as similar facilities belonging to the state or federal government are treated.

Without surveying the assessors of all 56 counties, it is impossible to give a precise figure for the taxable value of irrigation district property which is now taxed. However, it is estimated that such property has a total taxable value of no more than \$200,000 so that the total amount of tax involved probably does not exceed \$40,000. This decrease will be distributed among counties which have been taxing property of irrigation districts.

PREPARED BY DEPARTMENT OF REVENUE

BUDGET DIRECTOR

Office of Budget and Brogram Planning

Office of Budget and Program Planning

Date: /-> 4-77

Approved by Committee on Taxation

RILL BO. 155 INTRODUCED BY

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A BILL FOR AN ACT ENTITLED: "AN ACT TO ABBUD SECTION 84-202, R.C.H. 1947, TO EXEMPT PROPERTY OF IRRIGATION DISTRICTS FROM TAXATION AND TO AMEND SECTION 89-1702. R.C.H. 7 1947, TO EXERPT EQUIPMENT, HACHIMERY, HOTOR VEHICLES, AND OTHER PERSONAL PROPERTY BELONGING TO IRRIGATION DISTRICTS 9 FROM STATE, COUNTY, OR BURICIPAL TAXATION: AMENDING SECTION 10 53-106, R.C.H. 1947.*

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

Section 1. Section 84-202, R.C.E. 1947, is amended to 13 14 read as follows:

#84-202. Exemptions from taxation. (1) (a) The property of the United States, the state, counties, cities, towns, school districts, irrigation districts organized under the laws of Montana and not operating for profit, municipal corporations, public libraries, buildings with land they occupy and furnishings thereis owned by a church and used for actual religious worship and for residences of the clergy, together with adjacent land reasonably necessary for convenient use of such buildings owned by a church, such other property as is used exclusively for agricultural and horticultural societies, for educational purposes, hospitals and places of burial not used or held for private or corporate profit, and institutions of purely public charity. evidence of debt secured by mortgages of record apon real or personal property in the state of Montana, and public art galleries and public observatories not used or held for private or corporate profit, are exempt from taxation, but no more land than is necessary for such purpose is exempt.

8 (b) As used in this subsection, the term "institutions of purely public charity" shall include organizations owning and operating facilities for the care of the retired or aged 10 11 or chronically ill which are not operated for gain or 12 profit; and the terms "public art galleries and public observatories" shall mean only such art galleries and 13 14 observatories whether of public or private ownership, as are 15 open to the public, without charge or fee at all reasonable 16 hours, and are used for the purpose of education only.

17 (2) When a clubbouse or building erected by cr belonging to any society or organization of honorably discharged United States soldiers, sailors or marines who served in army or many of United States, is used exclusively for educational, fraternal, benevolent or purely public charitable purposes, rather than for gain or profit, 23 together with the library and furniture necessarily used in any such building, such property is exempt from taxation. 25 and all property, real or personal, in the possession of

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legal guardians of incompetent veterans of the World War or minor dependents of such veterans, where such property is funds or derived from funds received from the United States as pension, compensation, insurance, adjusted compensation, or gratuity, shall be exempt from all taxation as property of the United States while held by the guardian, but not after title passes to the veteran or minor in his or her own right on account of removal of legal disability.

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- (3) All household goods and furniture, including clocks, musical instruments, sewing machines, wearing apparel of members of the family actually used by the owner for personal and domestic purposes, or for furnishing or equipping the family residence are exempt from taxation.
- (4) Preeport merchandise shall be exempt from taxation. Preeport merchandise means those stocks of merchandise manufactured or produced outside this state which are in transit through this state and consigned to a warehouse or other storage facility, public or private, within this state, for storage in transit prior to shipment to a final destination outside the state, and which have acquired a taxable situs within the state.
- Stocks of merchandise do not lose their status as freeport merchandise because while in the storage facility they are assembled, bound, joined, processed, disassembled, divided, cut, broken in bulk, relabeled or repackaged.

1 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 state department of revenue in such manner or form as may be
5 required by the department.

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- 6 (5) [The following agricultural products are exempt
 7 from taxation:]
- 8 (a) All unprocessed, perishable fruits and wegetables
 9 in farm storage and owned by the producer are exempt from
 10 taxation.
- 11 (b) All nonperishable unprocessed agricultural
 12 products except livestock, held in possession of the
 13 original producer for less than seven (7) months following
 14 harvest.
- 15 (c) Livestock, defined as cattle, sheep, horses, or 16 nules, which have not attained the age of nine (9) months as 17 of the last day of any month.
 - (6) Honeys and credits are exempt from taxation.
- 19 (7) A capital investment in a recognized nonfossil 20 form of energy generation is exempt to the extent provided 21 under section 84-7403.**
- 22 Section 2. Section 89-1702, R.C.H. 1947, is amended to read as follows:
- 24 **89-1702. Exemption of irrigation district property.
 25 The bonds issued under the provisions of this act, rights of

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1 way, ditches, flumes, pipelines, dams, water rights,
2 reservoirs, and other property of like character, equipment.
3 machinery, motor vehicles, and all other personal property
4 belonging to any irrigation district, shall organized under
5 the laws of Montana and not operating for profit may not be
6 taxed for state, county, or municipal purposes."

7 Section 3. Section 53-106, B.C.H. 1947, is amended to 8 read as follows:

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*53-106. Number plates. (1) Every motor vehicle which shall be driven upon the streets or highways of this state shall display both front and rear a number plate, bearing the distinctive number assigned such vehicle. Such number plate shall be in eight series; one series for owners of motor cars, one for owners of motor vehicles of the motorcycle type, one for trailers, one for trucks, one for dealers in vehicles of the motorcycle type which shall bear the distinctive letters "BCD" or the letters "BC" and the word "DEALER." one for franchised dealers is new motor cars fincluding tracks and trailers) or new and used motor cars (including trucks and trailers) which shall bear the distinctive letter "D" or the word "DEALER," one for dealers in used motor cars only (including used trucks and trailers) which shall bear the distinctive letters "UD" or the letter "U" and the word "DEALER." and one for dealers in trailers and/or semitrailers (new or used) which shall bear the

1 distinctive letters "DTR" or the letters "TR" and the word "DEALER." and all such markings for the aforementioned kinds of dealers' plates shall be placed on the number plates 3 assigned thereto in such position thereon as the registrar may designate. All number plates for motor vehicles shall be issued for a minimum period of four years, provided that number plates shall next be issued in the year 1976 and as often thereafter as is consistent with the provisions of this section, shall bear a distinctive marking, and shall be 10 furnished by the state. In years when number plates are not 11 issued, the registrar shall provide nonremovable stickers 12 bearing appropriate registration numbers which shall be 13 affixed to the license plates in use.

14 (2) In the case of motor cars and trucks, number 15 plates shall be of metal six inches wide and twelve inches 16 in length, the number plates issued in the year 1976 to be 17 of a graphic design commemorating the bicentennial of the 18 founding of the United States of America, and the word 19 "Montana" with the year placed on the plate. For number 20 plates issued after 1976. the outline of the state of Montana shall be used as a distinctive border on such 21 22 license plates, and the word "Montana" with the year shall 23 be placed across the bottom of the plate. Such registration plate shall be treated with a reflectorized background 24 material according to specifications prescribed by the 25

1 registrar. An additional fee of one dollar (\$1.00) per year 2 for each registration of a vehicle shall be added to the 3 registration fee. Revenue from this fee shall be forwarded by the respective county treasurers to the state treasurer b 5 for deposit in the motor vehicle recording account of the earmarked revenue fund. Disbursements from the motor vehicle 6 7 recording account shall be made by warrant drawn by the registrar. The distinctive registration numbers shall begin 9 with a number one (1) or with a letter-number combination 10 such as "A 1" or "AA 1," or any other similar combination of 11 letters and numbers and be numbered consecutively for each 12 series of plates. The distinctive registration number or 13 letter-number combination assigned to the vehicle shall 14 appear on the plate preceded by the number of the county and 15 appearing in horizontal order on the same horizontal base 16 line, and the county number shall be separated from the 17 distinctive registration number by a separation mark unless 18 a letter-number combination is used. The dimensions of such 19 numerals and letters shall be determined by the registrar of 20 motor vehicles, provided that all county and registration 21 numbers shall be of equal height.

(3) For the use of tax-exempt motor vehicles, in addition to the markings herein provided, number plates shall have thereon the following distinctive markings:

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For vehicles owned by the state the registrar of motor

vehicles may designate the prefix number for the various state departments, and all numbered plates issued to state departments shall bear the words "State Owned" and no year number will be indicated thereon as these numbered plates will be of a permanent nature, and will be replaced by the registrar of motor vehicles at such time when the physical condition of numbered plates requires same. For wehicles owned by the counties, municipalities, irrigation districts organized under the laws of Montana and not operating for profit, and school districts and used and operated by 10 officials and employees thereof in line of duty as such, and 11 for vehicles on loan from the United States government or 12 the state of Montana, to, or owned by, the civil air patrol 13 14 and used and operated by officials and employees thereof in 15 the line of duty as such, there shall be placed on the number plates assigned thereto, in such position thereon as 16 the registrar may designate, the letter "I" or the word 17 "EXEMPT." Distinctive registration numbers for plates 18 19 assigned to motor vehicles of each of the counties in the 20 state and those of the manicipalities and school districts 21 situated within each of said counties and those of the 22 irrigation districts which obtain plates within each county shall begin with number 1 and be numbered consecutively. 23

(4) On all number plates assigned to motor vehicles of the truck and trailer type, other than tax-exempt trucks and

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- trailers, there shall appear the letter "T" or the word
- 2 "TRUCK" for plates assigned to trucks and the letters "TR"
- 3 or the word "TRAILER" for plates assigned to trailers, and
- 4 housetrailers, and the letters **** or the word **CYCLE** for
- 5 plates assigned to vehicles of the motorcycle type.
- 6 Number plates issued to a passenger car, truck, trailer
- 7 or wehicle of the motorcycle type may be transferred only to
- 8 a replacement passenger car, truck, trailer or motorcycle
- 9 type wehicle.

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- 10 (5) For the purpose of this act, the several counties
- 11 of the state shall be assigned numbers as follows: Silver
- 12 Bow, 1; Cascade, 2; Yellowstone, 3; Missoula, 4; Lewis and
- 13 Clark, 5: Gallatin, 6: Flathead, 7: Pergus, 8: Powder River,
- 14 9; Carbon, 10; Phillips, 11; Hill, 12; Ravalli, 13; Custer,
- 15 14; Lake, 15; Dawson, 16; Roosevelt, 17; Beaverhead, 18;
 - Chouteau, 19; Valley, 20; Toole, 21; Big Horn, 22;
- 17 Musselshell, 23; Blaine, 24; Badison, 25; Pondera, 26;
- 18 Richland, 27: Powell, 28: Rosebud, 29: Deer Lodge, 30:
- 9 Teton, 31: Stillwater, 32: Treasure, 33: Sheridan, 34:
- 20 Sanders, 35; Judith Basin, 36; Daniels, 37; Glacier, 38;
- 21 Fallon, 39; Sweet Grass, 40; McCone, 41; Carter, 42;
- 22 Broadwater, 43: Wheatland, 44: Prairie, 45; Granite, 46;
- 23 Meagher, 47; Liberty, 48; Park, 49; Garfield, 50; Jefferson,
- 24 51; Wibaux, 52; Golden Walley, 53; Mineral, 54; Petroleum,
- 25 55: Lincola, 56: any new counties shall be assigned numbers

- by the registrar of motor vehicles as they may be formed.
- 2 beginning with the number 57.*

-End-

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INTRODUCED BY

A BILL FOR AN ACT ESTITLED: "AN ACT TO AMEND SECTION 84-202. E.C.H. 1947. TO EXEMPT PROPERTY OF IRRIGATION 5 DISTRICTS PROM TAXATION AND TO AMEND SECTION 89-1702, R.C. H. ĸ 1947. TO EXEMPT EQUIPMENT, MACHIMENT, MOTOR VEHICLES, AND 7 OTHER PERSONAL PROPERTY BELOEGIEG TO INDIGATION DISTRICTS В PROB STATE, COUNTY, OR BURICIPAL TAXATION; ABBNDING SECTION 9

53-106, R.C.H. 1947." 10

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

Section 1. Section 64-202, R.C. S. 1947, is amended to read as follows:

#84-202. Exemptions from taxation. (1) (a) The property of the United States, the state, counties, cities, towns, school districts, irrigation districts organized under the laws of Bontana and not operating for profit, nunicipal corporations, public libraries, buildings with land they occupy and furnishings therein owned by a church and used for actual religious worship and for residences of the clergy, together with adjacent land reasonably necessary for convenient use of such buildings owned by a church, such other property as is used exclusively for agricultural and horticultural societies, for educational purposes, hospitals

and places of burial not used or held for private or corporate profit, and institutions of purely public charity. evidence of debt secured by mortgages of record upon real or personal property in the state of Montana, and public art galleries and public observatories not used or held for private or corporate profit, are exempt from taxation, but 7 no more land than is mecessary for such purpose is exempt.

- (b) As used in this subsection, the term "institutions of purely public charity shall include organizations owning and operating facilities for the care of the retired or aged 11 or chronically ill 'which are not operated for gain or 12 profit: and the terms "public art calleries and public 13 observatories" shall mean only such art galleries and 14 observatories whether of public or private ownership, as are open to the public, without charge or fee at all reasonable 16 hours, and are used for the purpose of education only.
 - (2) When a clubhouse or building erected by or belonging to any society or organization of homorably discharged United States soldiers, sailors or marines who served in army or navy of United States, is used exclusively for educational, fraternal, benevolent or purely public charitable purposes, rather than for gain or profit, together with the library and furniture necessarily used in any such building, such property is exempt from taxation, and all property, real or personal, in the possession of

1 legal quardians of incompetent veterans of the World War or 2 minor dependents of such veterans, where such property is funds or derived from funds received from the United States as pension, compensation, insurance, adjusted compensation, or gratuity, shall be exempt from all taxation as property of the United States while held by the quardian, but not after title passes to the veteran or minor in his or her own right on account of removal of legal disability.

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- (3) All household goods and furniture, including clocks, susical instruments, seving machines, wearing apparel of members of the family actually used by the owner for personal and domestic purposes, or for furnishing or equipping the family regidence are exempt from taxation.
- (4) Presport merchandise shall be exempt from taxation. Presport merchandise means those stocks of merchandise manufactured or produced outside this state which are in transit through this state and consigned to a warehouse or other storage facility, public or private, within this state, for storage in transit prior to shipment to a final destination outside the state, and which have acquired a taxable situs within the state.
- Stocks of merchandise do not lose their status as freeport merchandise because while in the storage facility they are assembled, bound, joined, processed, disassembled, divided, cut, broken in bulk, relabeled or repackaged.

person. corporation. firm. partnership, Anv association. or other group seeking to qualify its property 3 for inclusion in this class shall make application to the state department of revenue in such manner or form as may be required by the department.

- 6 (5) [The following agricultural products are exempt from taxation: 1
- (a) 111 unprocessed, perishable fruits and vegetables in farm storage and owned by the producer are exempt from 10 teration.
- (b) 111 nonperishable agricultural 11 unprocessed 12 products except livestock, held in possession of the 13 original producer for less than seven (7) months following 14 harvest.
- 15 (c) Livestock, defined as cattle, skeep, horses, or 16 mules, which have not attained the age of nime (9) months as of the last day of any month. 17
- 18 (6) Honeys and credits are exempt from taxation.
- (7) A capital investment in a recognized monfossil 19 form of energy generation is exempt to the extent provided 20 21 under section 64-7403."
- Section 2. Section 89-1702, R.C.B. 1947, is amended to 22
- read as follows: 23
- *89-1702. Exemption of irrigation district property. 24
- The bonds issued under the provisions of this act, rights of 25

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way, ditches, flumes, pipelines, dams, water rights,
reservoirs, and other property of like character, equipment,

machinery, motor vehicles, and all other personal property
belonging to any irrigation district, shall organized under
the laws of Bontana and not operating for profit may not be
taxed for state, county, or municipal purposes.*

Section 3. Section 53-106, R.C.B. 1947, is amended to read as follows:

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#53-106. Humber plates. (1) Every motor vehicle which shall be driven upon the streets or highways of this state shall display both front and rear a number plate, bearing the distinctive number assigned such vehicle. Such number plate shall be in eight series: one series for owners of motor cars, one for owners of motor vehicles of the motorcycle type, one for trailers, one for trucks, one for dealers in vehicles of the motorcycle type which shall bear the distinctive letters "BCD" or the letters "MC" and the word "DEALER." one for franchised dealers in new motor cars (including trucks and trailers) or new and used motor cars (including trucks and trailers) which shall bear the distinctive letter "D" or the word "DEALER," one for dealers in used motor cars only (including used trucks and trailers) which shall bear the distinctive letters "UD" or the letter "G" and the word "DEALER," and one for dealers in trailers and/or semitrailers (new or used) which shall bear the

1 distinctive letters "DTR" or the letters "TR" and the word "DEALER," and all such markings for the aforementioned kinds 2 3 of dealers' plates shall be placed on the number plates assigned thereto in such position thereon as the registrar may designate. All number plates for motor vehicles shall be issued for a minimum period of four years. provided that 7 number plates shall next be issued in the year 1976 and as often thereafter as is consistent with the provisions of this section, shall bear a distinctive marking, and shall be furnished by the state. In years when number plates are not 10 issued, the registrar shall provide nonremovable stickers 11 bearing appropriate registration numbers which shall be 12 13 affixed to the license plates in use.

14 (2) In the case of motor cars and trucks, number 15 plates shall be of metal six inches wide and twelve inches 16 in length, the number plates issued in the year 1976 to be of a graphic design commemorating the bicentennial of the 17 18 founding of the United States of America, and the word 19 "Montana" with the year placed on the plate. For number 20 plates issued after 1976, the outline of the state of Bontana shall be used as a distinctive border on such 21 22 license plates, and the word "Montana" with the year shall 23 be placed across the bottom of the plate. Such registration 24 plate shall be treated with a reflectorized background material according to specifications prescribed by the

registrar. An additional fee of one dollar (\$1.00) per year 1 for each registration of a vehicle shall be added to the 2 registration fee. Revenue from this fee shall be forwarded 3 by the respective county treasurers to the state treasurer for deposit in the motor vehicle recording account of the 6 earmarked revenue fund. Disbursements from the motor vehicle 7 recording account shall be made by warrant drawn by the registrar. The distinctive registration numbers shall begin 8 9 with a number one (1) or with a letter-number combination 10 such as "A 1" or "AA 1," or any other similar combination of letters and numbers and be numbered consecutively for each 11 12 series of plates. The distinctive registration number or 13 letter-number combination assigned to the vehicle shall appear on the plate preceded by the number of the county and 14 15 appearing in horizontal order on the same horizontal base line, and the county number shall be separated from the 16 17 distinctive registration number by a separation mark unless 18 a letter-number combination is used. The dimensions of such 19 numerals and letters shall be determined by the registrar of 20 motor vehicles, provided that all county and registration 21 numbers shall be of equal beight.

(3) For the use of tax-exempt motor vehicles, in addition to the markings herein provided, number plates shall have thereon the following distinctive markings:

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25 For vehicles owned by the state the registrar of motor

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state departments, and all numbered plates issued to state 2 3 departments shall bear the words "State Owned" and no year number will be indicated thereon as these numbered plates will be of a permanent nature, and will be replaced by the registrar of motor vehicles at such time when the physical 6 condition of numbered plates requires same. For vehicles 7 owned by the counties, municipalities, irrigation districts 9 organized under the laws of Montana and not operating for 10 profit, and school districts and used and operated by officials and employees thereof in line of duty as such, and 11 for vehicles on loan from the United States government or 12 the state of Montana, to, or owned by, the civil air patrol 13 14 and used and operated by officials and employees thereof in 15 the line of duty as such, there shall be placed on the number plates assigned thereto, in such position thereon as 16 the registrar may designate, the letter "X" or the word 17 "EXEMPT." Distinctive registration numbers for plates 18 19 assigned to motor vehicles of each of the counties in the 20 state and those of the municipalities and school districts 21 situated within each of said counties and those of the 22 irrigation districts which obtain plates within each county shall begin with number 1 and be numbered consecutively. 23 24 (4) On all number plates assigned to motor vehicles of

vehicles may designate the prefix number for the various

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the truck and trailer type, other than tax-exempt trucks and

trailers, there shall appear the letter "T" or the word

TRUCK" for plates assigned to trucks and the letters "TR"

or the word "TRAILER" for plates assigned to trailers, and
housetrailers, and the letters "HC" or the word "CTCLE" for

plates assigned to vehicles of the motorcycle type.

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- 6 Sumber plates issued to a passenger car, truck, trailer
 7 or webicle of the motorcycle type may be transferred only to
 8 a replacement passenger car, truck, trailer or motorcycle
 9 type webicle.
- 10 (5) For the purpose of this act, the several counties 11 of the state shall be assigned numbers as follows: Silver 12 Bow, 1; Cascade, 2; Yellowstone, 3; Hissoula, 4; Lewis and 13 Clark. 5: Gallatin. 6: Flathead. 7: Fergus. 8: Powder River. 14 9; Carbon, 10; Phillips, 11; Hill, 12; Ravalli, 13; Custer, 15 14: Lake, 15: Dawson, 16; Roosevelt, 17; Beaverhead, 18; 16 Chouteau, 19; Valley, 20; Toole, 21; Big Horn, 22; 17 Musselshell, 23: Blaine, 24: Madison, 25: Pondera, 26: 18 Bichland, 27: Powell, 28: Rosebud, 29: Deer Lodge, 30: Teton, 31: Stillwater, 32: Treasure, 33: Sheridan, 34: 19 Sanders, 35; Judith Basin, 36; Daniels, 37; Glacier, 38; 20 Pallon, 39; Sweet Grass, 40; EcCone, 41; Carter, 42; 21 Broadwater, 43: Wheatland, 44: Prairie, 45: Gramite, 46: 22 23 Meagher, 47: Liberty, 48: Park, 49: Garfield, 50: Jefferson, 24 51; Wibaux, 52; Golden Walley, 53; Mineral, 54; Petroleum, 25 55: Lincoln, 56: any new counties shall be assigned numbers

- 1 by the registrar of motor vehicles as they may be formed.
- 2 beginning with the number 57.**

-End-

45th Legislature SB 0155/02 SA 0155/02

SENATE BILL NO. 155

53-106. R.C.N. 1947.*

INTRODUCED BY HAZELBAKER, MCOMBER, ETCHART, DUNKLE

A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION 84-202, R.C.M. 1947, TO EXEMPT PROPERTY OF IRRIGATION DISTRICTS FROM TAXATION AND TO AMEND SECTION 89-1702, R.C.M. 1947, TO EXEMPT EQUIPMENT, MACHINERY, MOTOR VEHICLES, AND OTHER PERSONAL PROPERTY BELONGING TO IRRIGATION DISTRICTS FROM STATE, COUNTY, OR MUNICIPAL TAXATION; AMENDING SECTION

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

Section 1. Section 84-202, R.C.N. 1947, is amended to read as follows:

m84-202. Exemptions from taxation. (1) (a) The property of the United States, the state, counties, cities, towns, school districts, irrigation districts organized under the laws of Montana and not operating for profite municipal corporations, public libraries, buildings with land they occupy and furnishings therein owned by a church and used for actual religious worship and for residences of the clergy, together with adjacent land reasonably necessary for convenient use of such buildings owned by a church, such other property as is used exclusively for agricultural and horticultural societies, for educational purposes, hospitals

and places of burial not used or held for private or corporate profit, and institutions of purely public charity, evidence of debt secured by mortgages of record upon real or personal property in the state of Montana, and public art galleries and public observatories not used or held for private or corporate profit, are exempt from taxation, but no more land than is necessary for such purpose is exempt.

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

(2) When a clubhouse or building erected by or belonging to any society or organization of honorably discharged United States soldiers, sailors or marines who served in army or navy of United States, is used exclusively for educational, fraternal, benevolent or purely public charitable purposes, rather than for gain or profit, together with the library and furniture necessarily used in any such building, such property is exempt from taxation, and all property, real or personal, in the possession of

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legal quardians of incompetent veterans of the World War or minor dependents of such veterans, where such property is funds or derived from funds received from the United States as pension, compensation, insurance, adjusted compensation, or gratuity, shall be exempt from all taxation as property of the United States while held by the quardian, but not after title passes to the veteran or minor in his or her own right on account of removal of legal disability.

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- (3) All household goods and furniture, including clocks, musical instruments, sewing machines, wearing apparel of members of the family actually used by the owner for personal and domestic purposes, or for furnishing or equipping the family residence are exempt from taxation.
- (4) Freeport merchandise shall be exempt from taxation. Freeport merchandise means those stocks of merchandise manufactured or produced outside this state which are in transit through this state and consigned to a warehouse or other storage facility, public or private, within this state, for storage in transit prior to shipment to a final destination outside the state, and which have acquired a taxable situs within the state.
- Stocks of merchandise do not lose their status as freeport merchandise because while in the storage facility they are assembled, bound, joined, processed, disassembled, divided, cut, broken in bulk, relabeled or repackaged.

1 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 state department of revenue in such manner or form as may be
5 required by the department.

- 6 (5) [The following agricultural products are exempt7 from taxation:]
- 8 (a) All unprocessed, perishable fruits and vegetables
 9 in farm storage and owned by the producer are exempt from
 10 taxation.
- 11 (b) All nonperishable unprocessed agricultural
 12 products except livestock, held in possession of the
 13 original producer for less than seven (7) months following
 14 harvest.
- 15 (c) Livestock, defined as cattle, sheep, horses, or 16 mules, which have not attained the age of nine (9) months as 17 of the last day of any month.
 - (5) Moneys and credits are exempt from taxation.
- 19 (7) A capital investment in a recognized nonfossil
 20 form of energy generation is exempt to the extent provided
 21 under section 84-7403.**
- Section 2. Section 89-1702, R.C.M. 1947, is amended to read as follows:
- 24 #89-1702. Exemption of irrigation district property.25 The bonds issued under the provisions of this act, rights of

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way, ditches, flumes, pipelines, dams, water rights, 1 reservoirs, and-other-property-of-like-charactery equipment. machinery, motor vehicles, and all other personal property belonging to any irrigation districty-shall organized under the laws of Montana and not operating for profit may not be taxed for state, county, or municipal purposes."

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Section 3. Section 53-106. R.C.M. 1947. is amended to 7 8 read as follows:

#53-106. Number plates. (1) Every motor vehicle which shall be driven upon the streets or highways of this state shall display both front and rear a number plate, bearing the distinctive number assigned such vehicle. Such number plate shall be in eight series: one series for owners of motor cars, one for owners of motor vehicles of the motorcycle type, one for trailers, one for trucks, one for dealers in vehicles of the motorcycle type which shall bear the distinctive letters "MCD" or the letters "MC" and the word "DEALER." one for franchised dealers in new motor cars (including trucks and trailers) or new and used motor cars (including trucks and trailers) which shall bear the distinctive letter "D" or the word "DEALER," one for dealers in used motor cars only (including used trucks and trailers) which shall bear the distinctive letters "UD" or the letter *U" and the word "DEALER," and one for dealers in trailers and/or semitrailers (new or used) which shall bear the

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1 distinctive letters "DTR" or the letters "TR" and the word 2 "DEALER," and all such markings for the aforementioned kinds 3 of dealers' plates shall be placed on the number plates assigned thereto in such position thereon as the registrar may designate. All number plates for motor vehicles shall be 5 issued for a minimum period of four years, provided that number plates shall next be issued in the year 1976 and as 7 often thereafter as is consistent with the provisions of 9 this section, shall bear a distinctive marking, and shall be 10 furnished by the state. In years when number plates are not issued, the registrar shall provide nonremovable stickers 11 bearing appropriate registration numbers which shall be 12 13 affixed to the license plates in use.

(2) In the case of motor cars and trucks, number plates shall be of metal six inches wide and twelve inches in length, the number plates issued in the year 1976 to be of a graphic design commemorating the bicentennial of the founding of the United States of America, and the word "Montana" with the year placed on the plate. For number plates issued after 1976, the outline of the state of Montana shall be used as a distinctive border on such license plates, and the word "Montana" with the year shall be placed across the bottom of the plate. Such registration plate shall be treated with a reflectorized background material according to specifications prescribed by the

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registrar. An additional fee of one dollar (\$1.00) per year for each registration of a vehicle shall be added to the registration fee. Revenue from this fee shall be forwarded by the respective county treasurers to the state treasurer for deposit in the motor vehicle recording account of the earmarked revenue fund. Disbursements from the motor vehicle recording account shall be made by warrant drawn by the registrar. The distinctive registration numbers shall begin with a number one (1) or with a letter-number combination such as "A 1" or "AA 1," or any other similar combination of letters and numbers and be numbered consecutively for each series of plates. The distinctive registration number or letter-number combination assigned to the vehicle shall appear on the plate preceded by the number of the county and appearing in horizontal order on the same horizontal base line, and the county number shall be separated from the distinctive registration number by a separation mark unless a letter-number combination is used. The dimensions of such numerals and letters shall be determined by the registrar of motor vehicles, provided that all county and registration numbers shall be of equal height.

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(3) For the use of tax-exempt motor vehicles, in addition to the markings herein provided, number plates shall have thereon the following distinctive markings:

For vehicles owned by the state the registrar of motor

vehicles may designate the prefix number for the various state departments, and all numbered plates issued to state departments shall bear the words "State Owned" and no year number will be indicated thereon as these numbered plates will be of a permanent nature, and will be replaced by the registrar of motor vehicles at such time when the physical condition of numbered plates requires same. For vehicles owned by the counties, municipalities, irrigation districts organized under the laws of Montana and not operating for profit, and school districts and used and operated by officials and employees thereof in line of duty as such, and for vehicles on loan from the United States government or the state of Montana, to, or owned by, the civil air patrol and used and operated by officials and employees thereof in the line of duty as such, there shall be placed on the number plates assigned thereto, in such position thereon as the registrar may designate, the letter "X" or the word MEXEMPT+M Distinctive registration numbers for plates assigned to motor vehicles of each of the counties in the state and those of the municipalities and school districts situated within each of said counties and those of the irrigation districts which obtain plates within each county shall begin with number 1 and be numbered consecutively.

(4) On all number plates assigned to motor vehicles of the truck and trailer type, other than tax-exempt trucks and

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- 1 trailers, there shall appear the letter "T" or the word
- 2 "TRUCK" for plates assigned to trucks and the letters "TR"
- 3 or the word "TRAILER" for plates assigned to trailers, and
- 4 housetrailers, and the letters "MC" or the word "CYCLE" for
- plates assigned to vehicles of the motorcycle type.
- 6 Number plates issued to a passenger car, truck, trailer
- 7 or vehicle of the motorcycle type may be transferred only to
- 8 a replacement passenger car, truck, trailer or motorcycle
 - type vehicle.

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- 10 (5) For the purpose of this act, the several counties
- 11 of the state shall be assigned numbers as follows: Silver
 - Bow, 1; Cascade, 2; Yellowstone, 3; Missoula, 4; Lewis and
- 13 Clark, 5; Gallatin, 6; Flathead, 7; Fergus, 8; Powder River,
- 14 9; Carbon, 10; Phillips, 11; Hill, 12; Ravalli, 13; Custer,
- 15 14; Lake, 15; Dawson, 16; Roosevelt, 17; Beaverhead, 18;
- 16 Chouteau, 19; Valley, 20; Toole, 21; Big Horn, 22;
- 17 Husselshell, 23; Blaine, 24; Madison, 25; Pondera, 26;
- 18 Richland, 27; Powell, 28; Rosebud, 29; Deer Lodge, 30;
- 19 Teton, 31; Stillwater, 32; Treasure, 33; Sheridan, 34;
- 20 Sanders, 35; Judith Basin, 36; Daniels, 37; Glacier, 38;
- 21 Fallon, 39; Sweet Grass, 40; McCone, 41; Carter, 42;
- 22 Broadwater, 43; Wheatland, 44; Prairie, 45; Granite, 46;
- 23 Meagher, 47; Liberty, 48; Park, 49; Garfield, 50; Jefferson,
- 24 51; Wibaux, 52; Golden Valley, 53; Mineral, 54; Petroleum,
- 25 55; Lincoln, 56; any new counties shall be assigned numbers

- 1 by the registrar of motor vehicles as they may be formed,
- 2 beginning with the number 57.*

-End-