

HOUSE BILL 651

IN THE HOUSE

February 8, 1979	Introduced and referred to Committee on Local Government.
February 19, 1979	Committee recommend bill, do pass.
February 20, 1979	On motion, taken from second reading and referred to Committee on Taxation.
March 17, 1979	Committee recommend bill, do not pass.
March 19, 1979	Report adopted.

House BILL NO. 651

INTRODUCED BY Spilley McCall Thayer Reichert
Keeler Sumitt Ramsey

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT AIRCRAFT ARE SUBJECT TO CITY TAX LEVIES; AMENDING SECTION 67-3-201, MCA."

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

Section 1. Section 67-3-201, MCA, is amended to read:

"67-3-201. Aircraft registration and licensing. (1) Except as provided in 67-3-102, a person may not operate or cause or authorize to be operated a civil aircraft within this state unless the aircraft has an appropriate effective license, certificate, or permit issued by the United States government which has been registered with the department and the registration with the department is in force.

(2) Aircraft customarily kept in this state shall be registered with the department, which may charge a fee therefor of not more than \$10. The registration shall be renewed annually on or before March 1 each year.

(3) Section 67-3-202 and subsections (2) through (6) of this section shall not apply to:

(a) aircraft owned and operated by the federal government, the state, or any political subdivision thereof;

(b) aircraft owned and held by an aircraft dealer

1 1 solely for the purpose of resale;

2 2 (c) aircraft operated by an airline company and
3 3 regularly scheduled for the primary purpose of carrying
4 4 persons or property for hire in interstate or international
5 5 transportation; or
6 6 (d) dismantled or otherwise nonflyable aircraft.
7 7 (4) An aircraft shall be registered as property within
8 8 a particular county of the state. This county shall be the
9 9 county of the owner's principal residence, if the owner is a
10 10 natural person, or the owner's principal place of doing
11 11 business in the state, if the owner is not a natural person.
12 12 However, if the owner declares by affidavit that the
13 13 aircraft is customarily kept at a landing facility in
14 14 another county within the state, he may register the
15 15 aircraft as property within such other county.
16 16 (5) All aircraft shall be subject to all state,
17 17 county, city, and school district tax levies and all other
18 18 levies designated for aircraft or airport related uses.
19 19 Such aircraft shall not be liable for other city tax levies.
20 20 (6) Aircraft not registered in the state but entering
21 21 the state to engage in commercial operations shall be
22 22 registered prior to commencing operation."

-End-

Spilley McCall

STATE OF MONTANA

REQUEST NO. 423-79

FISCAL NOTE

Form BD-15

In compliance with a written request received 2-23, 1979, there is hereby submitted a Fiscal Note for HB 651 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 LEGISLATION:

House Bill 651 makes aircraft subject to city tax levies.

ASSUMPTIONS:

1. Four Montana Airports are located within the boundaries of incorporated cities Billings, Laurel, Helena, and Kalispell.
2. Of the aircraft located at the four city airports, 80% are registered to residents of the respective cities.
3. The taxable valuation of aircraft will remain static at 1978 values during the 1980-81 biennium.
4. Municipal mill levies will remain constant throughout the biennium.

LOCAL IMPACT:

Additional Municipal Tax Revenue As Follows:

	<u>FY 1980</u>	<u>FY 1981</u>	<u>Total</u>
Billings }	\$88,449	\$ 88,449	\$176,898
Laurel }	4,731	4,731	9,462
Helena			
Kalispell (No data available)			
Total	<u>\$93,180</u>	<u>\$ 93,180</u>	<u>\$186,360</u>

Richard A. Day for

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 3/1/79