

CHAPTER NO. 667

HOUSE BILL NO. 669

INTRODUCED BY RAMIREZ, PORTER

IN THE HOUSE

February 8, 1979	Introduced and referred to Committee on Taxation.
March 19, 1979	Committee recommend bill do pass as amended. Report adopted.
March 20, 1979	Printed and placed on members' desks.
March 21, 1979	Second reading, do pass.
March 22, 1979	Considered correctly engrossed.
March 23, 1979	Third reading, passed. Transmitted to second house.

IN THE SENATE

March 24, 1979	Introduced and referred to Committee on Taxation.
April 7, 1979	Committee recommend bill be concurred in as amended. Report adopted.
April 9, 1979	Second reading, concurred in.
April 11, 1979	Third reading, concurred in as amended.

IN THE HOUSE

April 12, 1979	Returned from second house. Concurred in as amended.
April 13, 1979	Second reading, amendments adopted.
April 16, 1979	Third reading, amendments adopted. Sent to enrolling. Reported correctly enrolled.

1 *House* BILL NO. *669*  
2 INTRODUCED BY *Ramsey Josta*

3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO FINANCING  
5 OF URBAN RENEWAL PROJECTS; REVISING THE METHODS OF  
6 CALCULATING AND USING TAX INCREMENTS; AMENDING SECTIONS  
7 7-15-4260, 7-15-4283, 7-15-4285 THROUGH 7-15-4287,  
8 7-15-4289, 7-15-4290, AND 7-15-4301, MCA; AND REPEALING  
9 SECTION 7-15-4291, MCA."

10  
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 7-15-4260, MCA, is amended to read:

13 "7-15-4260. Exemption from levy and sale for certain  
14 property. All property of a municipality, including funds,  
15 owned or held by it for the purposes of this part and part  
16 43 shall be exempt from levy and sale by virtue of an  
17 execution, and no execution or other judicial process shall  
18 issue against the same nor shall judgment against a  
19 municipality be a charge or lien upon such property;  
20 provided, however, that the provisions of this section shall  
21 not apply to or limit the right of obligees to pursue any  
22 remedies for the enforcement of any pledge or lien given  
23 pursuant to this part or part 43 by a municipality on ~~its~~ an  
24 urban renewal project or the rents, fees, grants, or  
25 revenues derived from ~~urban renewal these~~ projects."

1 Section 2. Section 7-15-4283, MCA, is amended to read:

2 "7-15-4283. Definitions related to tax increment  
3 financing. For purposes of 7-15-4282 through 7-15-4292, the  
4 following definitions apply unless otherwise provided or  
5 indicated by the context:

6 (1) "Actual taxable value" means the taxable value of  
7 ~~all~~ taxable property ~~within an urban renewal area at any~~  
8 ~~time~~, as calculated from the assessment roll last equalized.

9 ~~(2) "Base taxable value" means the actual taxable~~  
10 ~~value of all taxable property within an urban renewal area~~  
11 ~~prior to the effective date of a tax increment financing~~  
12 ~~provision. This value may be adjusted as provided in~~  
13 ~~7-15-4287 or [section 9].~~

14 ~~(2)(3) "Incremental taxable value" means the amount,~~  
15 ~~if any, by which the actual taxable value at any time~~  
16 ~~exceeds the original base taxable value of all property~~  
17 ~~within an urban renewal area subject to taxation.~~

18 ~~(3) "Original taxable value" means the taxable value~~  
19 ~~of all property within an urban renewal area subject to~~  
20 ~~taxation as calculated from the assessment roll last~~  
21 ~~equalized prior to the effective date of a tax increment~~  
22 ~~financing provision.~~

23 (4) "Tax increment" means the collections realized  
24 from extending the tax levies, expressed in mills, of all  
25 taxing bodies in which the urban renewal area or a part

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INTRODUCED BILL

1 thereof is located against the incremental taxable value.

2 (5) "Tax increment provision" means a provision for  
3 the segregation and application of tax increments as  
4 authorized by 7-15-4282 through 7-15-4292.

5 (6) "Taxes" means all taxes levied by a taxing body  
6 against property on an ad valorem basis.

7 (7) "Taxing body" means any city, town, county, school  
8 district, or other political subdivision or governmental  
9 unit of the state, including the state, which levies taxes  
10 against property within the urban renewal area."

11 Section 3. Section 7-15-4285, MCA, is amended to read:

12 "7-15-4285. Determination and report of original,  
13 actual, and incremental taxable values. The officer or  
14 officers responsible for assessing and determining the  
15 taxable value of the taxable property located within the  
16 urban renewal area shall, immediately upon receipt of the  
17 tax increment provision and each year thereafter, calculate  
18 and report to the municipality and to any other affected  
19 taxing body the original base, actual, and incremental  
20 taxable values of such property."

21 Section 4. Section 7-15-4286, MCA, is amended to read:

22 "7-15-4286. Procedure to determine and disburse tax  
23 increment. (1) Mill rates of taxing bodies for taxes levied  
24 after the effective date of the tax increment provision  
25 shall be calculated on the basis of the sum of the taxable

1 value, as shown by the last equalized assessment roll, of  
2 all taxable property located outside the urban renewal area  
3 and the original base taxable value of all taxable property  
4 located within the urban renewal area. The mill rate so  
5 determined shall be levied against the sum of the actual  
6 taxable value of all taxable property located within as well  
7 as outside the urban renewal area.

8 (2) (a) The tax increment, if any, received in each  
9 year from the levy of the combined mill rates of all the  
10 affected taxing bodies against the incremental taxable value  
11 within the urban renewal area shall be paid into a special  
12 fund held by the treasurer of the municipality and used as  
13 provided in 7-15-4282 through 7-15-4292.

14 (b) The balance of the taxes collected in each year  
15 shall be paid to each of the taxing bodies as otherwise  
16 provided by law."

17 Section 5. Section 7-15-4287, MCA, is amended to read:

18 "7-15-4287. Provision for use of portion of tax  
19 increment. (1) At the time of adoption of a tax increment  
20 provision or at any time subsequent thereto, the governing  
21 body of the municipality may provide that only a portion of  
22 the tax increment from the incremental taxable value shall  
23 be segregated ~~as provided in 7-15-4284 through 7-15-4286~~  
24 released from segregation by an adjustment of the base  
25 taxable value, provided that:

1 (a) all principal and interest then due on bonds for  
 2 which the tax increment has been pledged has been fully  
 3 paid; and

4 (b) the tax increment resulting from the smaller  
 5 incremental value is determined by the governing body to be  
 6 sufficient to pay all principal and interest due later on  
 7 the bonds.

8 (2) The portion ~~so~~ adjusted base value determined  
 9 under subsection (1) shall be reported by the clerk to the  
 10 officers and taxing bodies to which the increment provision  
 11 is reported.

12 ~~(2)(3)~~ Thereafter, the adjusted base value is used in  
 13 determining the mill rates of affected taxing bodies, the  
 14 taxable values against which the mill rates are levied and  
 15 the tax increment to be paid to the municipality, the  
 16 original taxable value shall be increased and the  
 17 incremental taxable value shall be decreased, unless the tax  
 18 increment resulting from the adjustment is determined to be  
 19 insufficient for this purpose. In this case, the governing  
 20 body must reduce the base value to the amount originally  
 21 determined or to a higher amount necessary to provide tax  
 22 increments sufficient to pay all principal and interest due  
 23 on the bonds."

24 Section 6. Section 7-15-4289, MCA, is amended to read:

25 "7-15-4289. Use of tax increments for bond payments.

1 The tax increment may be pledged to the payment of the  
 2 principal of premiums, if any, and interest on bonds which  
 3 the municipality may issue pursuant ~~to 7-15-4301~~ for the  
 4 purposes listed in 7-15-4288 for the purpose of providing  
 5 funds to pay such costs."

6 Section 7. Section 7-15-4290, MCA, is amended to read:

7 "7-15-4290. Use of property taxes for payment of  
 8 bonds. (1) ~~Property taxes for the payment of all bonds of~~  
 9 ~~each taxing body other than tax increment bonds authorized~~  
 10 ~~in this part, must be levied against all property within the~~  
 11 ~~taxing body subject to taxation without limitation by the~~  
 12 ~~provisions of 7-15-4282 through 7-15-4292. The tax increment~~  
 13 may be pledged for the payment of revenue bonds issued for  
 14 urban renewal projects or of general obligation bonds,  
 15 revenue bonds, or special assessment bonds issued to pay  
 16 urban renewal costs described in 7-15-4289. Any  
 17 municipality issuing such bonds may, by resolution of its  
 18 governing body, enter into a covenant for the security of  
 19 the bondholders, detailing the calculation and adjustment of  
 20 the tax increment and the taxable value on which it is  
 21 based.

22 (2) No property taxes, except the tax increment  
 23 derived from property within the urban renewal area and tax  
 24 collections used to pay for services provided to the  
 25 municipality by an urban renewal project, may be applied to

1 the payment of bonds issued pursuant to 7-15-4301 for which  
2 a tax increment has been pledged."

3 Section 8. Section 7-15-4301, MCA, is amended to read:

4 "7-15-4301. Authorization to issue urban renewal bonds  
5 and refunding bonds. (1) A municipality shall have the power  
6 to:

7 (a) issue bonds from time to time in its discretion,  
8 to finance the undertaking of any urban renewal project  
9 under this part and part 42, including, without limiting the  
10 generality thereof, the payment of principal and interest  
11 upon any advances for surveys and plans for urban renewal  
12 projects; and

13 (b) issue refunding bonds for the payment or  
14 retirement of such bonds previously issued by it.

15 (2) Such bonds shall not pledge the general credit of  
16 the municipality and shall be made payable, as to both  
17 principal and interest, solely from the income, proceeds,  
18 revenues, and funds of the municipality derived from or held  
19 in connection with its undertaking and carrying out of urban  
20 renewal projects under this part and part 42, including the  
21 tax increment received and pledged by the municipality  
22 pursuant to 7-15-4282 through 7-15-4292. Payment of such  
23 bonds, both as to principal and interest, may be further  
24 secured by a pledge of any loan, grant, or contribution from  
25 the federal government or other source in aid of any urban

1 renewal projects of the municipality under this part and  
2 part 42 or by a mortgage on all or part of any such  
3 projects.

4 (3) Bonds issued under this section shall be  
5 authorized by resolution or ordinance of the local governing  
6 body."

7 NEW SECTION. Section 9. Adjustment of base taxable  
8 value following change in statutes. If the base taxable  
9 value of an urban renewal area is affected after its  
10 original determination by a statutory change in the method  
11 of appraising property, the tax rate applied to it, or the  
12 tax exemption status of property, the governing body of the  
13 municipality may request the department of revenue or its  
14 agents to calculate the base taxable value as it would have  
15 been on the date of the original determination had the  
16 statutory changes been in effect on that date. The governing  
17 body may adjust the base taxable value to that value  
18 reported by the department of revenue, under the provisions  
19 of 7-15-4287.

20 Section 10. Repealer. Section 7-15-4291, MCA, is  
21 repealed.

-End-

STATE OF MONTANA

REQUEST NO. 301-79

FISCAL NOTE

Form BD-15

In compliance with a written request received February 12, 1979, there is hereby submitted a Fiscal Note for House Bill 669 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 proposed bill relates to financing of urban renewal projects; revising the methods of calculating and using tax increments.

ASSUMPTIONS

This proposal would have no fiscal impact on revenues. It allows the increments for tax increment financing to be increased.

FISCAL IMPACT

No Fiscal Impact.

(Prepared by the Department of Revenue)



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2/13/79

Approved by Committee  
on Taxation

HOUSE BILL NO. 669

INTRODUCED BY RAMIREZ, PORTER

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO THE  
CREATION AND FINANCING OF URBAN RENEWAL PROJECTS; REVISING  
THE METHODS OF CREATING URBAN RENEWAL PLANS AND CALCULATING  
AND USING TAX INCREMENTS; AMENDING SECTIONS ~~7-15-4216,~~  
~~7-15-4217, 7-15-4221,~~ 7-15-4260, 7-15-4283, 7-15-4285  
THROUGH 7-15-4287, 7-15-4289, 7-15-4290, AND 7-15-4301, MCA;  
AND REPEALING SECTION 7-15-4291, MCA; AND PROVIDING AN  
EFFECTIVE DATE."

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

SECTION 1. SECTION 7-15-4216, MCA, IS AMENDED TO READ:

"7-15-4216. Requirements for approval of urban renewal  
plans and projects. (1) The local governing body shall not  
approve an urban renewal plan until a comprehensive plan or  
parts of such plan for an area which would include an urban  
renewal area for the municipality have been prepared.

(2) A municipality shall not approve an urban renewal  
project for an urban renewal area unless the local governing  
body has by resolution determined such area to be a blighted  
area and designated such area as appropriate for an urban  
renewal project.

(3) An urban renewal plan may be approved by

resolution.

(4) All urban renewal plans approved by resolution  
prior to [the effective date of this act] are hereby  
validated."

SECTION 2. SECTION 7-15-4217, MCA, IS AMENDED TO READ:

"7-15-4217. Criteria for approval of urban renewal  
project. Following the hearing required by 7-15-4214, the  
local governing body may, by resolution, approve an urban  
renewal project if it finds that:

(1) a workable and feasible plan exists for making  
available adequate housing for the persons who may be  
displaced by the project;

(2) the urban renewal plan conforms to the  
comprehensive plan or parts thereof for the municipality as  
a whole;

(3) the urban renewal plan will afford maximum  
opportunity, consistent with the sound needs of the  
municipality as a whole, for the rehabilitation or  
redevelopment of the urban renewal area by private  
enterprise; and

(4) a sound and adequate financial program exists for  
the financing of said project."

SECTION 3. SECTION 7-15-4221, MCA, IS AMENDED TO READ:

"7-15-4221. Modification of urban renewal project  
plan. (1) An urban renewal project plan may be modified at

1 any time by the local governing body. If modified after the  
2 lease or sale by the municipality of real property in the  
3 urban renewal project area, such modification shall be  
4 subject to such rights at law or in equity as a lessee or  
5 purchaser or his successor or successors in interest may be  
6 entitled to assert.

7 ~~(2) An urban renewal plan may be modified by~~  
8 ~~resolution.~~

9 ~~(3) All urban renewal plans approved by resolution~~  
10 ~~prior to [the effective date of this act] are hereby~~  
11 ~~validated.~~

12 ~~(4) A plan may be modified by:~~

13 ~~(a) the procedure set forth in subsections 7-15-4212~~  
14 ~~through 7-15-4219 with respect to adoption of an urban~~  
15 ~~renewal plan.~~

16 ~~(b) the procedure set forth in the plan.~~

17 Section 4. Section 7-15-4260, MCA, is amended to read:

18 "7-15-4260. Exemption from levy and sale for certain  
19 property. All property of a municipality, including funds,  
20 owned or held by it for the purposes of this part and part  
21 43 shall be exempt from levy and sale by virtue of an  
22 execution, and no execution or other judicial process shall  
23 issue against the same nor shall judgment against a  
24 municipality be a charge or lien upon such property;  
25 provided, however, that the provisions of this section shall

1 not apply to or limit the right of obligees to pursue any  
2 remedies for the enforcement of any pledge or lien given  
3 pursuant to this part or part 43 by a municipality on its an  
4 ~~urban renewal project or the rents, fees, grants, or~~  
5 ~~revenues derived from urban-renewal these projects."~~

6 Section 5. Section 7-15-4283, MCA, is amended to read:

7 "7-15-4283. Definitions related to tax increment  
8 financing. For purposes of 7-15-4282 through 7-15-4292, the  
9 following definitions apply unless otherwise provided or  
10 indicated by the context:

11 (1) "Actual taxable value" means the taxable value of  
12 ~~all~~ taxable property within an urban-renewal area at any  
13 time, as calculated from the assessment roll last equalized.

14 (2) "Base taxable value" means the actual taxable  
15 value of all taxable property within an urban renewal area  
16 prior to the effective date of a tax increment financing  
17 provision. This value may be adjusted as provided in  
18 7-15-4287 or [section 9].

19 ~~(2)(3)~~ "Incremental taxable value" means the amount,  
20 if any, by which the actual taxable value at any time  
21 exceeds the original base taxable value of all property  
22 within an urban renewal area subject to taxation.

23 ~~(3) "Original taxable value" means the taxable value~~  
24 ~~of all property within an urban-renewal area subject to~~  
25 ~~taxation as calculated from the assessment roll last~~



1 ~~equalized--prior--to--the--effective--date--of--a--tax--increment~~  
2 ~~financing--provisions~~

3 (4) "Tax increment" means the collections realized  
4 from extending the tax levies, expressed in mills, of all  
5 taxing bodies in which the urban renewal area or a part  
6 thereof is located against the incremental taxable value.

7 (5) "Tax increment provision" means a provision for  
8 the segregation and application of tax increments as  
9 authorized by 7-15-4282 through 7-15-4292.

10 (6) "Taxes" means all taxes levied by a taxing body  
11 against property on an ad valorem basis.

12 (7) "Taxing body" means any city, town, county, school  
13 district, or other political subdivision or governmental  
14 unit of the state, including the state, which levies taxes  
15 against property within the urban renewal area."

16 Section 6. Section 7-15-4285, MCA, is amended to read:

17 "7-15-4285. Determination and report of original,  
18 actual, and incremental taxable values. The officer or  
19 officers responsible for assessing and determining the  
20 taxable value of the taxable property located within the  
21 urban renewal area shall, immediately upon receipt of the  
22 tax increment provision and each year thereafter, calculate  
23 and report to the municipality and to any other affected  
24 taxing body the original ~~base~~, actual, and incremental  
25 taxable values of such property."

1 Section 7. Section 7-15-4286, MCA, is amended to read:  
2 "7-15-4286. Procedure to determine and disburse tax  
3 increment. (1) Mill rates of taxing bodies for taxes levied  
4 after the effective date of the tax increment provision  
5 shall be calculated on the basis of the sum of the taxable  
6 value, as shown by the last equalized assessment roll, of  
7 all taxable property located outside the urban renewal area  
8 and the original ~~base~~ taxable value of all taxable property  
9 located within the urban renewal area. The mill rate so  
10 determined shall be levied against the sum of the actual  
11 taxable value of all taxable property located within as well  
12 as outside the urban renewal area.

13 (2) (a) The tax increment, if any, received in each  
14 year from the levy of the combined mill rates of all the  
15 affected taxing bodies against the incremental taxable value  
16 within the urban renewal area shall be paid into a special  
17 fund held by the treasurer of the municipality and used as  
18 provided in 7-15-4282 through 7-15-4292.

19 (b) The balance of the taxes collected in each year  
20 shall be paid to each of the taxing bodies as otherwise  
21 provided by law."

22 Section 8. Section 7-15-4287, MCA, is amended to read:

23 "7-15-4287. Provision for use of portion of tax  
24 increment. (1) At the time of adoption of a tax increment  
25 provision or at any time subsequent thereto, the governing

1 body of the municipality may provide that only a portion of  
 2 the tax increment from the incremental taxable value shall  
 3 be segregated as provided in ~~7-15-4284 through 7-15-4286~~  
 4 released from segregation by an adjustment of the base  
 5 taxable value, provided that:

6 (a) all principal and interest then due on bonds for  
 7 which the tax increment has been pledged has been fully  
 8 paid; and

9 (b) the tax increment resulting from the smaller  
 10 incremental value is determined by the governing body to be  
 11 sufficient to pay all principal and interest due later on  
 12 the bonds.

13 (2) The portion so adjusted base value determined  
 14 under subsection (1) shall be reported by the clerk to the  
 15 officers and taxing bodies to which the increment provision  
 16 is reported.

17 (2)(3) Thereafter, the adjusted base value is used in  
 18 determining the mill rates of affected taxing bodies; the  
 19 taxable values against which the mill rates are levied and  
 20 the tax increment to be paid to the municipality; the  
 21 original taxable value shall be increased and the  
 22 incremental taxable value shall be decreased, unless the tax  
 23 increment resulting from the adjustment is determined to be  
 24 insufficient for this purpose. In this case, the governing  
 25 body must reduce the base value to the amount originally

1 determined or to a higher amount necessary to provide tax  
 2 increments sufficient to pay all principal and interest due  
 3 on the bonds."

4 Section 9. Section 7-15-4289, MCA, is amended to read:

5 "7-15-4289. Use of tax increments for bond payments.  
 6 The tax increment may be pledged to the payment of the  
 7 principal of premiums, if any, and interest on bonds which  
 8 the municipality may issue pursuant to ~~7-15-4301~~ for the  
 9 ~~purposes listed in 7-15-4288~~ for the purpose of providing  
 10 funds to pay such costs."

11 Section 10. Section 7-15-4290, MCA, is amended to  
 12 read:

13 "7-15-4290. Use of property taxes for payment of  
 14 bonds. (1) ~~Property taxes for the payment of all bonds of~~  
 15 ~~each taxing body other than tax increment bonds authorized~~  
 16 ~~in this part, must be levied against all property within the~~  
 17 ~~taxing body subject to taxation without limitation by the~~  
 18 ~~provisions of 7-15-4282 through 7-15-4292. The tax increment~~  
 19 may be pledged for the payment of revenue bonds issued for  
 20 urban renewal projects or of general obligation bonds,  
 21 revenue bonds, or special assessment bonds issued to pay  
 22 urban renewal costs described in 7-15-4289. Any  
 23 municipality issuing such bonds may, by resolution of its  
 24 governing body, enter into a covenant for the security of  
 25 the bondholders, detailing the calculation and adjustment of

1 ~~the tax increment and the taxable value on which it is~~  
2 ~~based.~~

3 (2) No property taxes, except the tax increment  
4 derived from property within the urban renewal area ~~and tax~~  
5 ~~collections used to pay for services provided to the~~  
6 ~~municipality by an urban renewal project,~~ may be applied to  
7 the payment of bonds issued pursuant to 7-15-4301 for which  
8 a tax increment has been pledged."

9 Section 11. Section 7-15-4301, MCA, is amended to  
10 read:

11 "7-15-4301. Authorization to issue urban renewal bonds  
12 and refunding bonds. (1) A municipality shall have the power  
13 to:

14 (a) issue bonds from time to time in its discretion,  
15 to finance the undertaking of any urban renewal project  
16 under this part and part 42, including, without limiting the  
17 generality thereof, the payment of principal and interest  
18 upon any advances for surveys and plans for urban renewal  
19 projects; and

20 (b) issue refunding bonds for the payment or  
21 retirement of such bonds previously issued by it.

22 (2) Such bonds shall not pledge the general credit of  
23 the municipality and shall be made payable, as to both  
24 principal and interest, solely from the income, proceeds,  
25 revenues, and funds of the municipality derived from or held

1 in connection with its undertaking and carrying out of urban  
2 renewal projects under this part and part 42, including the  
3 tax increment received and pledged by the municipality  
4 pursuant to 7-15-4282 through 7-15-4292. Payment of such  
5 bonds, both as to principal and interest, may be further  
6 secured by a pledge of any loan, grant, or contribution from  
7 the federal government or other source in aid of any urban  
8 renewal projects of the municipality under this part and  
9 part 42 ~~or by a mortgage on all or part of any such~~  
10 ~~projects.~~

11 (3) Bonds issued under this section shall be  
12 authorized by resolution or ordinance of the local governing  
13 body."

14 ~~NEW SECTION.~~ Section 12. Adjustment of base taxable  
15 value following change in statutes. If the base taxable  
16 value of an urban renewal area is affected after its  
17 original determination by a statutory change in the method  
18 of appraising property, the tax rate applied to it, or the  
19 tax exemption status of property, the governing body of the  
20 municipality may request the department of revenue or its  
21 agents to calculate the base taxable value as it would have  
22 been on the date of the original determination had the  
23 statutory changes been in effect on that date. The governing  
24 body may adjust the base taxable value to that value  
25 reported by the department of revenue, under the provisions

1 of 7-15-4287.

2 Section 13. Repealer. Section 7-15-4291, MCA, is  
3 repealed.

4 SECTION 14. EFFECTIVE DATE. THIS ACT IS EFFECTIVE ON  
5 PASSAGE AND APPROVAL.

-End-

HOUSE BILL NO. 669

INTRODUCED BY RAMIREZ, PORTER

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO THE  
 CREATION AND FINANCING OF URBAN RENEWAL PROJECTS; REVISING  
 THE METHODS OF CREATING URBAN RENEWAL PLANS AND CALCULATING  
 AND USING TAX INCREMENTS; AMENDING SECTIONS ~~7-15-4216,~~  
~~7-15-4217, 7-15-4221,~~ 7-15-4260, 7-15-4283, 7-15-4285  
 THROUGH 7-15-4287, 7-15-4289, 7-15-4290, AND 7-15-4301, MCA;  
 AND REPEALING SECTION 7-15-4291, MCA; AND PROVIDING AN  
 EFFECTIVE DATE."

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

SECTION 1. SECTION 7-15-4216, MCA, IS AMENDED TO READ:

"7-15-4216. Requirements for approval of urban renewal  
 plans and projects. (1) The local governing body shall not  
 approve an urban renewal plan until a comprehensive plan or  
 parts of such plan for an area which would include an urban  
 renewal area for the municipality have been prepared.

(2) A municipality shall not approve an urban renewal  
 project for an urban renewal area unless the local governing  
 body has by resolution determined such area to be a blighted  
 area and designated such area as appropriate for an urban  
 renewal project.

(3) An urban renewal plan may be approved by

resolution.

(4) All urban renewal plans approved by resolution  
prior to [the effective date of this act] are hereby  
validated."

SECTION 2. SECTION 7-15-4217, MCA, IS AMENDED TO READ:

"7-15-4217. Criteria for approval of urban renewal  
 project. Following the hearing required by 7-15-4214, the  
 local governing body may by resolution approve an urban  
 renewal project if it finds that:

(1) a workable and feasible plan exists for making  
 available adequate housing for the persons who may be  
 displaced by the project;

(2) the urban renewal plan conforms to the  
 comprehensive plan or parts thereof for the municipality as  
 a whole;

(3) the urban renewal plan will afford maximum  
 opportunity, consistent with the sound needs of the  
 municipality as a whole, for the rehabilitation or  
 redevelopment of the urban renewal area by private  
 enterprise; and

(4) a sound and adequate financial program exists for  
 the financing of said project."

SECTION 3. SECTION 7-15-4221, MCA, IS AMENDED TO READ:

"7-15-4221. Modification of urban renewal project  
 plan. (1) An urban renewal project plan may be modified at

1 any time by the local governing body. If modified after the  
 2 lease or sale by the municipality of real property in the  
 3 urban renewal project area, such modification shall be  
 4 subject to such rights at law or in equity as a lessee or  
 5 purchaser or his successor or successors in interest may be  
 6 entitled to assert.

7 ~~(2) An urban renewal plan may be modified by~~  
 8 ~~resolution.~~

9 ~~(3) All urban renewal plans approved by resolution~~  
 10 ~~prior to [the effective date of this act] are hereby~~  
 11 ~~validated.~~

12 ~~(4) A plan may be modified by:~~

13 ~~(a) the procedure set forth in subsections 7-15-4212~~  
 14 ~~through 7-15-4219 with respect to adoption of an urban~~  
 15 ~~renewal plan.~~

16 ~~(b) the procedure set forth in the plan."~~

17 Section 4. Section 7-15-4260, MCA, is amended to read:

18 "7-15-4260. Exemption from levy and sale for certain  
 19 property. All property of a municipality, including funds,  
 20 owned or held by it for the purposes of this part and part  
 21 43 shall be exempt from levy and sale by virtue of an  
 22 execution, and no execution or other judicial process shall  
 23 issue against the same nor shall judgment against a  
 24 municipality be a charge or lien upon such property;  
 25 provided, however, that the provisions of this section shall

1 not apply to or limit the right of obligees to pursue any  
 2 remedies for the enforcement of any pledge or lien given  
 3 pursuant to this part or part 43 by a municipality on its an  
 4 urban renewal project or the rents, fees, grants, or  
 5 revenues derived from urban-renewal these projects."

6 Section 5. Section 7-15-4283, MCA, is amended to read:

7 "7-15-4283. Definitions related to tax increment  
 8 financing. For purposes of 7-15-4282 through 7-15-4292, the  
 9 following definitions apply unless otherwise provided or  
 10 indicated by the context:

11 (1) "Actual taxable value" means the taxable value of  
 12 ~~all~~ taxable property ~~within an urban-renewal area~~ at any  
 13 time, as calculated from the assessment roll last equalized.

14 (2) "Base taxable value" means the actual taxable  
 15 value of all taxable property within an urban renewal area  
 16 prior to the effective date of a tax increment financing  
 17 provision. This value may be adjusted as provided in  
 18 7-15-4287 or [section 9].

19 ~~(2)(3)~~ "Incremental taxable value" means the amount,  
 20 if any, by which the actual taxable value at any time  
 21 exceeds the original ~~base~~ taxable value of all property  
 22 within an urban renewal area subject to taxation.

23 ~~(3) "Original taxable value" means the taxable value~~  
 24 ~~of all property within an urban-renewal area subject to~~  
 25 ~~taxation as calculated from the assessment roll last~~

1 ~~equalized prior to the effective date of a tax increment~~  
 2 ~~financing provisions~~

3 (4) "Tax increment" means the collections realized  
 4 from extending the tax levies, expressed in mills, of all  
 5 taxing bodies in which the urban renewal area or a part  
 6 thereof is located against the incremental taxable value.

7 (5) "Tax increment provision" means a provision for  
 8 the segregation and application of tax increments as  
 9 authorized by 7-15-4282 through 7-15-4292.

10 (6) "Taxes" means all taxes levied by a taxing body  
 11 against property on an ad valorem basis.

12 (7) "Taxing body" means any city, town, county, school  
 13 district, or other political subdivision or governmental  
 14 unit of the state, including the state, which levies taxes  
 15 against property within the urban renewal area."

16 Section 6. Section 7-15-4285, MCA, is amended to read:

17 "7-15-4285. Determination and report of original,  
 18 actual, and incremental taxable values. The officer or  
 19 officers responsible for assessing and determining the  
 20 taxable value of the taxable property located within the  
 21 urban renewal area shall, immediately upon receipt of the  
 22 tax increment provision and each year thereafter, calculate  
 23 and report to the municipality and to any other affected  
 24 taxing body the original base, actual, and incremental  
 25 taxable values of such property."

1 Section 7. Section 7-15-4286, MCA, is amended to read:

2 "7-15-4286. Procedure to determine and disburse tax  
 3 increment. (1) Mill rates of taxing bodies for taxes levied  
 4 after the effective date of the tax increment provision  
 5 shall be calculated on the basis of the sum of the taxable  
 6 value, as shown by the last equalized assessment roll, of  
 7 all taxable property located outside the urban renewal area  
 8 and the original base taxable value of all taxable property  
 9 located within the urban renewal area. The mill rate so  
 10 determined shall be levied against the sum of the actual  
 11 taxable value of all taxable property located within as well  
 12 as outside the urban renewal area.

13 (2) (a) The tax increment, if any, received in each  
 14 year from the levy of the combined mill rates of all the  
 15 affected taxing bodies against the incremental taxable value  
 16 within the urban renewal area shall be paid into a special  
 17 fund held by the treasurer of the municipality and used as  
 18 provided in 7-15-4282 through 7-15-4292.

19 (b) The balance of the taxes collected in each year  
 20 shall be paid to each of the taxing bodies as otherwise  
 21 provided by law."

22 Section 8. Section 7-15-4287, MCA, is amended to read:

23 "7-15-4287. Provision for use of portion of tax  
 24 increment. (1) At the time of adoption of a tax increment  
 25 provision or at any time subsequent thereto, the governing

1 body of the municipality may provide that only a portion of  
 2 the tax increment from the incremental taxable value shall  
 3 be segregated as provided in ~~7-15-4284 through 7-15-4286~~  
 4 released from segregation by an adjustment of the base  
 5 taxable value, provided that:

6 (a) all principal and interest then due on bonds for  
 7 which the tax increment has been pledged has been fully  
 8 paid; and

9 (b) the tax increment resulting from the smaller  
 10 incremental value is determined by the governing body to be  
 11 sufficient to pay all principal and interest due later on  
 12 the bonds.

13 (2) ~~The portion so adjusted base value determined~~  
 14 ~~under subsection (1) shall be reported by the clerk to the~~  
 15 ~~officers and taxing bodies to which the increment provision~~  
 16 ~~is reported.~~

17 (2)(3) ~~Thereafter, the adjusted base value is used in~~  
 18 ~~determining the mill rates of affected taxing bodies; the~~  
 19 ~~taxable values against which the mill rates are levied and~~  
 20 ~~the tax increment to be paid to the municipality; the~~  
 21 ~~original taxable value shall be increased and the~~  
 22 ~~incremental taxable value shall be decreased, unless the tax~~  
 23 ~~increment resulting from the adjustment is determined to be~~  
 24 ~~insufficient for this purpose. In this case, the governing~~  
 25 ~~body must reduce the base value to the amount originally~~

1 determined or to a higher amount necessary to provide tax  
 2 increments sufficient to pay all principal and interest due  
 3 on the bonds."

4 Section 9. Section 7-15-4289, MCA, is amended to read:  
 5 "7-15-4289. Use of tax increments for bond payments.  
 6 The tax increment may be pledged to the payment of the  
 7 principal of premiums, if any, and interest on bonds which  
 8 the municipality may issue pursuant to ~~7-15-4301~~ for the  
 9 purposes ~~listed in 7-15-4288~~ for the purpose of providing  
 10 funds to pay such costs."

11 Section 10. Section 7-15-4290, MCA, is amended to  
 12 read:

13 "7-15-4290. Use of property taxes for payment of  
 14 bonds. (1) ~~Property taxes for the payment of all bonds of~~  
 15 ~~each taxing body other than tax increment bonds authorized~~  
 16 ~~in this part, must be levied against all property within the~~  
 17 ~~taxing body subject to taxation without limitation by the~~  
 18 ~~provisions of 7-15-4282 through 7-15-4292. The tax increment~~  
 19 ~~may be pledged for the payment of revenue bonds issued for~~  
 20 ~~urban renewal projects or of general obligation bonds,~~  
 21 ~~revenue bonds, or special assessment bonds issued to pay~~  
 22 ~~urban renewal costs described in 7-15-4289. Any~~  
 23 ~~municipality issuing such bonds may, by resolution of its~~  
 24 ~~governing body, enter into a covenant for the security of~~  
 25 ~~the bondholders, detailing the calculation and adjustment of~~



1 the tax increment and the taxable value on which it is  
 2 based.

3 (2) No property taxes, except the tax increment  
 4 derived from property within the urban renewal area and tax  
 5 collections used to pay for services provided to the  
 6 municipality by an urban renewal project, may be applied to  
 7 the payment of bonds issued pursuant to 7-15-4301 for which  
 8 a tax increment has been pledged."

9 Section 11. Section 7-15-4301, MCA, is amended to  
 10 read:

11 "7-15-4301. Authorization to issue urban renewal bonds  
 12 and refunding bonds. (1) A municipality shall have the power  
 13 to:

14 (a) issue bonds from time to time in its discretion,  
 15 to finance the undertaking of any urban renewal project  
 16 under this part and part 42, including, without limiting the  
 17 generality thereof, the payment of principal and interest  
 18 upon any advances for surveys and plans for urban renewal  
 19 projects; and

20 (b) issue refunding bonds for the payment or  
 21 retirement of such bonds previously issued by it.

22 (2) Such bonds shall not pledge the general credit of  
 23 the municipality and shall be made payable, as to both  
 24 principal and interest, solely from the income, proceeds,  
 25 revenues, and funds of the municipality derived from or held

1 in connection with its undertaking and carrying out of urban  
 2 renewal projects under this part and part 42, including the  
 3 tax increment received and pledged by the municipality  
 4 pursuant to 7-15-4282 through 7-15-4292. Payment of such  
 5 bonds, both as to principal and interest, may be further  
 6 secured by a pledge of any loan, grant, or contribution from  
 7 the federal government or other source in aid of any urban  
 8 renewal projects of the municipality under this part and  
 9 part 42 or by a mortgage on all or part of any such  
 10 projects.

11 (3) Bonds issued under this section shall be  
 12 authorized by resolution or ordinance of the local governing  
 13 body."

14 NEW SECTION. Section 12. Adjustment of base taxable  
 15 value following change in statutes. If the base taxable  
 16 value of an urban renewal area is affected after its  
 17 original determination by a statutory change in the method  
 18 of appraising property, the tax rate applied to it, or the  
 19 tax exemption status of property, the governing body of the  
 20 municipality may request the department of revenue or its  
 21 agents to calculate the base taxable value as it would have  
 22 been on the date of the original determination had the  
 23 statutory changes been in effect on that date. The governing  
 24 body may adjust the base taxable value to that value  
 25 reported by the department of revenue, under the provisions

1 of 7-15-4287.

2 Section 13. Repealer. Section 7-15-4291, MCA, is  
3 repealed.

4 ~~SECTION 14. EFFECTIVE DATE. THIS ACT IS EFFECTIVE ON~~  
5 ~~PASSAGE AND APPROVAL.~~

-End-

HOUSE BILL NO. 669

INTRODUCED BY RAMIREZ, PORTER

A BILL FOR AN ACT ENTITLED. "AN ACT RELATING TO THE CREATION AND FINANCING OF URBAN RENEWAL PROJECTS; REVISING THE METHODS OF CREATING URBAN RENEWAL PLANS AND CALCULATING AND USING TAX INCREMENTS; AMENDING SECTIONS 7-15-4216, 7-15-4217, 7-15-4221, 7-15-4260, 7-15-4283, 7-15-4285 THROUGH 7-15-4287, 7-15-4289, 7-15-4290, AND 7-15-4301, MCA; AND REPEALING SECTION 7-15-4291, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

SECTION 1. SECTION 7-15-4216, MCA, IS AMENDED TO READ:

"7-15-4216. Requirements for approval of urban renewal plans and projects. (1) The local governing body shall not approve an urban renewal plan until a comprehensive plan or parts of such plan for an area which would include an urban renewal area for the municipality have been prepared.

(2) A municipality shall not approve an urban renewal project for an urban renewal area unless the local governing body has by resolution determined such area to be a blighted area and designated such area as appropriate for an urban renewal project.

(3) An urban renewal plan may ADOPTED AFTER JULY 1,

1979, MUST be approved by resolution ORDINANCE.

(4) All urban renewal plans approved by resolution prior to [the effective date of this act] are hereby validated."

SECTION 2. SECTION 7-15-4217, MCA, IS AMENDED TO READ:

"7-15-4217. Criteria for approval of urban renewal project. Following the hearing required by 7-15-4214, the local governing body may, by resolution ORDINANCE, approve an urban renewal project if it finds that:

(1) a workable and feasible plan exists for making available adequate housing for the persons who may be displaced by the project;

(2) the urban renewal plan conforms to the comprehensive plan or parts thereof for the municipality as a whole;

(3) the urban renewal plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the rehabilitation or redevelopment of the urban renewal area by private enterprise; and

(4) a sound and adequate financial program exists for the financing of said project."

SECTION 3. SECTION 7-15-4221, MCA, IS AMENDED TO READ:

"7-15-4221. Modification of urban renewal project plan. (1) An urban renewal project plan may be modified at

1 any time by the local governing body. If modified after the  
2 lease or sale by the municipality of real property in the  
3 urban renewal project area, such modification shall be  
4 subject to such rights at law or in equity as a lessee or  
5 purchaser or his successor or successors in interest may be  
6 entitled to assert.

7 ~~(2) An urban renewal plan may be modified by~~  
8 ~~resolution ORDINANCE.~~

9 ~~(3) All urban renewal plans approved OR MODIFIED by~~  
10 ~~resolution prior to [the effective date of this act] are~~  
11 ~~hereby validated.~~

12 ~~(4) A plan may be modified by:~~

13 ~~(a) the procedure set forth in subsections 7-15-4212~~  
14 ~~through 7-15-4219 with respect to adoption of an urban~~  
15 ~~renewal plan.~~

16 ~~(b) the procedure set forth in the plan."~~

17 Section 4. Section 7-15-4260, MCA, is amended to read:

18 "7-15-4260. Exemption from levy and sale for certain  
19 property. All property of a municipality, including funds,  
20 owned or held by it for the purposes of this part and part  
21 43 shall be exempt from levy and sale by virtue of an  
22 execution, and no execution or other judicial process shall  
23 issue against the same nor shall judgment against a  
24 municipality be a charge or lien upon such property;  
25 provided, however, that the provisions of this section shall

1 not apply to or limit the right of obligees to pursue any  
2 remedies for the enforcement of any pledge or lien given  
3 pursuant to this part or part 43 by a municipality on its ~~an~~  
4 ~~urban renewal project or the~~ rents, fees, grants, or  
5 revenues ~~derived from urban-renewal~~ these projects."

6 Section 5. Section 7-15-4283, MCA, is amended to read:

7 "7-15-4283. Definitions related to tax increment  
8 financing. For purposes of 7-15-4282 through 7-15-4292, the  
9 following definitions apply unless otherwise provided or  
10 indicated by the context:

11 (1) "Actual taxable value" means the taxable value of  
12 ~~all~~ taxable property within an urban-renewal--area at any  
13 time, as calculated from the assessment roll last equalized.

14 (2) "Base taxable value" means the actual taxable  
15 value of all taxable property within an urban renewal area  
16 prior to the effective date of a tax increment financing  
17 provision. This value may be adjusted as provided in  
18 7-15-4287 or [section 9].

19 ~~(2)(3)~~ "Incremental taxable value" means the amount,  
20 if any, by which the actual taxable value at any time  
21 exceeds the original ~~base~~ taxable value of all property  
22 within an urban renewal area subject to taxation.

23 ~~(3)--"Original-taxable-value"--means--the--taxable--value~~  
24 ~~of--all--property--within--an--urban-renewal--area--subject--to~~  
25 ~~taxation--as--calculated--from--the--assessment--roll--last~~

1 equalized--prior--to--the--effective--date--of--a--tax--increment  
2 financing-provision

3 (4) "Tax increment" means the collections realized  
4 from extending the tax levies, expressed in mills, of all  
5 taxing bodies in which the urban renewal area or a part  
6 thereof is located against the incremental taxable value.

7 (5) "Tax increment provision" means a provision for  
8 the segregation and application of tax increments as  
9 authorized by 7-15-4282 through 7-15-4292.

10 (6) "Taxes" means all taxes levied by a taxing body  
11 against property on an ad valorem basis.

12 (7) "Taxing body" means any city, town, county, school  
13 district, or other political subdivision or governmental  
14 unit of the state, including the state, which levies taxes  
15 against property within the urban renewal area."

16 Section 6. Section 7-15-4285, MCA, is amended to read:  
17 "7-15-4285. Determination and report of original,  
18 actual, and incremental taxable values. The officer or  
19 officers responsible for assessing and determining the  
20 taxable value of the taxable property located within the  
21 urban renewal area shall, immediately upon receipt of the  
22 tax increment provision and each year thereafter, calculate  
23 and report to the municipality and to any other affected  
24 taxing body the original base, actual, and incremental  
25 taxable values of such property."

1 Section 7. Section 7-15-4286, MCA, is amended to read:  
2 "7-15-4286. Procedure to determine and disburse tax  
3 increment. (1) Mill rates of taxing bodies for taxes levied  
4 after the effective date of the tax increment provision  
5 shall be calculated on the basis of the sum of the taxable  
6 value, as shown by the last equalized assessment roll, of  
7 all taxable property located outside the urban renewal area  
8 and the original base taxable value of all taxable property  
9 located within the urban renewal area. The mill rate so  
10 determined shall be levied against the sum of the actual  
11 taxable value of all taxable property located within as well  
12 as outside the urban renewal area.

13 (2) (a) The tax increment, if any, received in each  
14 year from the levy of the combined mill rates of all the  
15 affected taxing bodies against the incremental taxable value  
16 within the urban renewal area shall be paid into a special  
17 fund held by the treasurer of the municipality and used as  
18 provided in 7-15-4282 through 7-15-4292.

19 (b) The balance of the taxes collected in each year  
20 shall be paid to each of the taxing bodies as otherwise  
21 provided by law."

22 Section 8. Section 7-15-4287, MCA, is amended to read:  
23 "7-15-4287. Provision for use of portion of tax  
24 increment. (1) At the time of adoption of a tax increment  
25 provision or at any time subsequent thereto, the governing

1 body of the municipality may provide that only a portion of  
 2 the tax increment from the incremental taxable value shall  
 3 be segregated as provided in 7-15-4204 through 7-15-4206  
 4 released from segregation by an adjustment of the base  
 5 taxable value, provided that:

6 (a) all principal and interest then due on bonds for  
 7 which the tax increment has been pledged has been fully  
 8 paid; and

9 (b) the tax increment resulting from the smaller  
 10 incremental value is determined by the governing body to be  
 11 sufficient to pay all principal and interest due later on  
 12 the bonds.

13 (2) The portion of adjusted base value determined  
 14 under subsection (1) shall be reported by the clerk to the  
 15 officers and taxing bodies to which the increment provision  
 16 is reported.

17 (3) Thereafter, the adjusted base value is used in  
 18 determining the mill rates of affected taxing bodies; the  
 19 taxable values against which the mill rates are levied and  
 20 the tax increment to be paid to the municipality; the  
 21 original taxable value shall be increased and the  
 22 incremental taxable value shall be decreased, unless the tax  
 23 increment resulting from the adjustment is determined to be  
 24 insufficient for this purpose. In this case, the governing  
 25 body must reduce the base value to the amount originally

1 determined or to a higher amount necessary to provide tax  
 2 increments sufficient to pay all principal and interest due  
 3 on the bonds."

4 Section 9. Section 7-15-4209, MCA, is amended to read:  
 5 "7-15-4209. Use of tax increments for bond payments.  
 6 The tax increment may be pledged to the payment of the  
 7 principal of premiums, if any, and interest on bonds which  
 8 the municipality may issue pursuant to 7-15-4301 for the  
 9 purposes listed in 7-15-4200 for the purpose of providing  
 10 funds to pay such costs."

11 Section 10. Section 7-15-4290, MCA, is amended to  
 12 read:

13 "7-15-4290. Use of property taxes for payment of  
 14 bonds. (1) ~~Property taxes for the payment of all bonds of~~  
 15 ~~each taxing body, other than tax increment bonds, authorized~~  
 16 ~~in this part, must be levied against all property within the~~  
 17 ~~taxing body subject to taxation without limitation by the~~  
 18 ~~provisions of 7-15-4202 through 7-15-4292. The tax increment~~  
 19 may be pledged for the payment of revenue bonds issued for  
 20 urban renewal projects or of general obligation bonds,  
 21 revenue bonds, or special assessment bonds issued to pay  
 22 urban renewal costs described in 7-15-4289. Any  
 23 municipality issuing such bonds may, by resolution of its  
 24 governing body, enter into a covenant for the security of  
 25 the bondholders, detailing the calculation and adjustment of

1 the tax increment and the taxable value on which it is  
2 based.

3 (2) No property taxes, except the tax increment  
4 derived from property within a urban renewal area and tax  
5 collections used to pay for services provided to the  
6 municipality by an urban renewal project, may be applied to  
7 the payment of bonds issued pursuant to 7-15-4301 for which  
8 a tax increment has been pledged."

9 Section 11. Section 7-15-4301, MCA, is amended to  
10 read:

11 "7-15-4301. Authorization to issue urban renewal bonds  
12 and refunding bonds. (1) A municipality shall have the power  
13 to:

14 (a) issue bonds from time to time in its discretion,  
15 to finance the undertaking of any urban renewal project  
16 under this part and part 42, including, without limiting the  
17 generality thereof, the payment of principal and interest  
18 upon any advances for surveys and plans for urban renewal  
19 projects; and

20 (b) issue refunding bonds for the payment or  
21 retirement of such bonds previously issued by it.

22 (2) Such bonds shall not pledge the general credit of  
23 the municipality and shall be made payable, as to both  
24 principal and interest, solely from the income, proceeds,  
25 revenues, and funds of the municipality derived from or held

1 in connection with its undertaking and carrying out of urban  
2 renewal projects under this part and part 42, including the  
3 tax increment received and pledged by the municipality  
4 pursuant to 7-15-4282 through 7-15-4292. Payment of such  
5 bonds, both as to principal and interest, may be further  
6 secured by a pledge of any loan, grant, or contribution from  
7 the federal government or other source in aid of any urban  
8 renewal projects of the municipality under this part and  
9 part 42 or by a mortgage on all or part of any such  
10 projects.

11 (3) Bonds issued under this section shall be  
12 authorized by resolution or ordinance of the local governing  
13 body."

14 NEW SECTION. Section 12. Adjustment of base taxable  
15 value following change in statutes. If the base taxable  
16 value of an urban renewal area is affected after its  
17 original determination by a statutory change in the method  
18 of appraising property, the tax rate applied to it, or the  
19 tax exemption status of property, the governing body of the  
20 municipality may request the department of revenue or its  
21 agents to calculate the base taxable value as it would have  
22 been on the date of the original determination had the  
23 statutory changes been in effect on that date. The governing  
24 body may adjust the base taxable value to that value  
25 reported by the department of revenue, under the provisions

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1 of 7-15-4287.

2 ~~Section 13v Repeaters---Section--7-15-4291v--MEAv---is~~  
3 ~~repeated.~~

4 SECTION 13. EFFECTIVE DATE. THIS ACT IS EFFECTIVE ON  
5 PASSAGE AND APPROVAL.

-End-



April 7, 1979

SENATE STANDING COMMITTEE REPORT  
(Taxation)

That House Bill No. 669, third reading bill, be amended as follows:

1. Title, line 10.

Following: line 9

Strike: "AND REPEALING SECTION 7-15-4291, MCA;"

2. Page 1, line 25.

Following: "plan"

Strike: "may"

Insert: "adopted after July 1, 1979, must"

3. Page 2, line 1.

Following: page 1

Strike: "resolution"

Insert: "ordinance"

4. Page 2, line 8.

Following: "by"

Strike: "resolution"

Insert: "ordinance"

5. Page 3, line 8.

Following: line 7

Strike: "resolution"

Insert: "ordinance"

6. Page 3, line 9.

Following: "approved"

Insert: "or modified"

7. Page 11, line 2.

Following: line 1

Strike: section 13 in its entirety

Re-number: subsequent section